

complaint

Mrs L's complaint against Ageas Insurance Limited ("Ageas") is about a declined buildings insurance claim. She is being assisted in her complaint by her husband, Mr L.

background

Mrs L tried to make a claim in August 2016 for damage to her kitchen caused by leaking water.

The insurer, Ageas, declined the claim because it thought the damage had happened gradually, rather than being caused by a one-off event. This was based on evidence from Ageas's surveyor who had visited the property to inspect the damage and assess its cause.

Our investigator thought, based on the evidence she'd seen, that Ageas had fairly declined this claim. Mr L (on behalf of his wife) disagreed with this though. He's explained that this was a sudden problem, and that a claim would've been made sooner if the damage had occurred gradually. He said that he and his wife were not aware of a leak until water appeared, at which point they say they immediately contacted 'British Gas' (which I assume is British Gas Insurance Ltd, acting as their home emergency insurer rather than as a utilities supplier – either way, it makes no difference to the ultimate outcome of the case).

Our investigator and Mr L agreed in May 2017 that Mr L would contact British Gas to see if it could provide a report from its engineers about the damage. Our investigator chased Mr L for this several times, before it was agreed the complaint would be prepared for review by an ombudsman. Our investigator explained to Mr L that a decision could be made without the British Gas report if it hadn't been received before an ombudsman considered the complaint.

my findings

I firstly want to address the fact that, to date, we still haven't received the report that Mr L was going to send us from British Gas. I haven't seen any indication that the report is going to be supplied within a reasonable period or at all, and I have to be fair to all the parties in this complaint. Ageas is waiting for an answer on this matter in the same way that Mr and Mrs L are.

It's been several months since it was agreed Mr L would get this report – so I think he's been given ample time and opportunity to get it – and, as I've explained, he was told an ombudsman might make a decision on his wife's complaint without it. I haven't seen any indication that the report is going to be provided or that Mr L's asked for more time to get it, so I think it's appropriate that I now consider this complaint based on the evidence that has been supplied, as I'm entitled to do under our rules (*cf.* DISP Rule 3.5.9 in the *Financial Conduct Authority Handbook*, available online).

With that in mind, I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

There seems to have been some confusion over the precise policy term that's being relied on by Ageas to decline this claim because, as I understand it, it referred in its final response letter to a term from a different policy's booklet. That's been cleared up now though as Ageas has provided what I accept is the correct policy booklet (it matches the other evidence it's provided about Mrs L's policy) and it's confirmed exactly which term it's relying on.

Ultimately the meaning of this term is the same as the one Ageas referred to in its final response letter – it confirms that whilst a policyholder's insured buildings are covered for loss or damage caused by various events including water leakage, damage caused by "any gradual cause" is not insured by this policy.

So I've thought about that in the context of the evidence that's been provided about the damage and what caused it.

The report from Ageas's surveyor includes the following statements about this which clearly suggest the damage occurred gradually:

"We instantly detected was [sic] appeared to be long term water damage to the kitchen wall, wall units and worktops...The worktop in the corner is sagging and extensively water damaged, the worktops in the corner have absorbed water and are swollen.....the kitchen is in a very poor condition with the majority being water damaged...the base unit is extensively rotten due to long term exposure to water..."

"The cause of damage is due to long term escape of water from a cold water pipe located in the bathroom, also a leaking stop tap under the kitchen sink...the damage is not consistent with the reported incident of a one off escape of water..."

And the photographs taken by the surveyor support these findings in my view – the nature of the damage shown suggests to me that it's been ongoing for some time, rather than this being a sudden and unexpected occurrence.

I know Mr and Mrs L are disappointed that this claim has been declined, and I can assure them that I've thought carefully about what they've said about the damage occurring suddenly. But I'm persuaded from the evidence I've seen that this damage was likely caused gradually over time, which is specifically excluded under the policy terms. And I don't think it can reasonably have been going on behind the scenes—and only manifested itself as visible damage—immediately before the claim was notified. So I think Ageas was entitled to turn Mrs L's claim down in accordance with these terms.

I understand my decision will be disappointing for both Mr and Mrs L but, for the reasons I've explained here, I'm not upholding this complaint.

my final decision

My decision is that I do not uphold Mrs L's complaint about Ageas Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L to accept or reject my decision before 19 October 2017.

Kevin Wright
ombudsman