

## **complaint**

Mr H complains that International Insurance Company of Hannover SE (“Hannover”) won’t pay his claim for theft and criminal damage. Mr H is represented by a professional loss adjuster.

## **background**

Mr H had a serious fire at his house. Shortly after that the house was burgled. Thieves stole a boiler and caused some damage. Hannover said it wouldn’t pay Mr H’s second claim because – once the house was empty – the insurance cover was restricted and didn’t cover burglary.

Our adjudicator didn’t uphold this complaint. He thought that Hannover had shown that the relevant term applied to Mr H, and it wasn’t unfair for Hannover to rely on it. So Hannover didn’t need to pay Mr H’s claim.

Mr H said that the reason the house wasn’t occupied was because Hannover had taken so long to settle his previous claim. So he still thought it wasn’t fair to let Hannover refuse to pay for this claim.

Because Mr H didn’t agree with our adjudicator, the case was passed to me for a final decision.

## **my findings**

I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.

There are two parts to this complaint. Firstly, was Hannover entitled to rely on the reduced level of cover endorsement to reject Mr H’s second claim? If it was entitled to rely on this, had its delays in handling Mr H’s first claim contributed to the fact that the property remained unoccupied for longer than necessary?

I’m persuaded that Hannover was entitled to rely on the endorsement in Mr H’s policy. That limits cover to Fire, Lightning, Aircraft and Explosion if the building is unoccupied or partly occupied. It’s shown on the schedule sent to Mr H and he hasn’t said he didn’t get it. I think the endorsement is clear, and it’s reasonable to expect Mr H to be aware of how it might affect him. I say that because he owns and rents out several properties as a business. In those circumstances I’d expect a customer to check their cover carefully as there are obviously risks associated with tenanted properties, which would normally go through periods of unoccupancy.

I’ve also looked at whether Hannover’s handling of Mr H’s claim meant the house was empty for longer than it might have been. The fire was in late September 2013. The damage was such that the roof was destroyed and there was substantial damage to the rest of the house. Mr H’s surveyor produced a scope of works for repairing the house which included cleaning and testing the boiler. That was about two weeks after the fire. Within a day or so someone broke in and stole the boiler from the kitchen, and did some damage to a door.

I can’t see anything in that timeline to show that Hannover had delayed Mr H’s claim for the fire damage by the time the boiler was stolen. Claims like this do take some time to resolve.

Hannover had only just received a proposed scope of works when the burglary happened so it hadn't delayed matters.

I also don't think it held up payment of Mr H's fire claim generally – it paid him a cash settlement about two weeks after it received the report on the cause of the fire from the fire brigade. That's a reasonable approach.

**my final decision**

My decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 29 February 2016.

Sue Peters  
**ombudsman**