

The complaint

The estate of Mr S complains about UK Insurance Limited (UKI) who declined his claim, under his home insurance policy.

What happened

The estate of Mr S had a burst pipe at his property. He made a claim with UKI. The estate of Mr S said that there had been a delay before UKI sent out a loss adjuster to assess the damage. He said that surveys were conducted, and he provided all documents that UKI requested.

Following the assessment, UKI declined the estate of Mr S' claim on the basis that the evidence that he provided, didn't support that the heating had been turned on. And this contravened a policy term.

The estate of Mr S felt that the reason that UKI used to decline his claim was ridiculous, as the external temperature didn't have a bearing on the working of the heating system. He said that his internal temperature was set low and within the level that was mentioned in the policy terms. He said that the heating system was on an auto mode and functioning, so the declining of his claim was unjustified. So, he complained to UKI.

In its final response, UKI maintained its position and relied on the policy terms and conditions. It highlighted that the estate of Mr S' gas bill indicated a very low gas usage for the period. It said that it was unlikely that the heating came on twice a day, as the estate of Mr S had told them it had.

As the estate of Mr S had been given his referral rights, he referred a complaint to our service. One of our investigators considered the complaint and didn't think it should be upheld. He said that it was fair that UKI relied upon the policy terms and the evidence showed that there was very low gas usage. He felt that the estate of Mr S hadn't met the extended unoccupancy endorsement term in the policy. And as such UKI reasonably declined his claim.

UKI accepted the view, the estate of Mr S did not. He reiterated that the boiler was operating correctly and was set at 10 degrees (the minimum temperature allowed under the policy). He said that the gas bill that UKI based its decline of the claim was estimated and he provided a further gas bill, which he said accurately reflected the amount of gas used. He also said that the leak had nothing to do with the heating system and he provided a diagram of it in support. He confirmed that he had taken all other precautions as indicated in the policy. And felt that there was nothing further he could've done to prevent the event that had occurred. So, he asked for a decision from an ombudsman.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and

reasonable in the circumstances of this complaint.

Having done so, I won't uphold this complaint, for much the same reasons as our investigator. I understand that this might be a disappointment to the estate of Mr S, but I hope my findings go some way in explaining why I've reached this decision.

I've considered both parties, comments, evidence they have provided, as well as the policy terms and conditions. I think that the main issue of this complaint, is whether UKI were fair to decline the estate of Mr S' claim on the basis of the endorsement that was added to the policy terms and conditions.

I should make it clear that the insured property had not been occupied at the time that the leak occurred. Prior to the leak happening, the estate of Mr S had contacted UKI to make a change to the policy. That change was to have buildings only cover. When the estate of Mr S changed the level of cover, UKI informed him that there would be an endorsement added to the policy.

UKI provided me with a copy of the call recording, in which the estate of Mr S changes the level of cover. I note that the endorsement was read out in full to the estate of Mr S. And the advisor confirmed that it would be sent to him in the post.

I have reviewed the endorsement and among other conditions, it stated that where a property is vacant, the water must be turned off at the mains and the water system drained. Or *'if the home is centrally heated, the central heating system is left on at all times to maintain an air temperature of not less than 10C(50F).'*

The estate of Mr S hasn't said that the water system was turned off or drained. But he has maintained that the central heating system was on an auto system. He told UKI that the heating system was on a timer and the heating came on twice per day. He said that the system was set at 10 degrees as was required under the policy.

UKI asked the estate of Mr S to provide copies of his gas bill. I have reviewed this gas bill and it states that from 13 September 2022 until 2 December 2022, 26 units of gas were used. UKI said that for this period, it would have expected the gas use to be significantly higher, especially as the outside temperature had been quite low, given the time of year. It said that as the gas use was so low, this would've meant that the heating hadn't been on. And because of this, it meant that the estate of Mr S hadn't complied with the endorsement on the policy.

The estate of Mr S disputes this position. He said that UKI had based conclusions on an estimated gas bill from 1 October until 2 December 2022. He provided me with a gas bill that outlined the use of gas from 13 September until 2 December 2022. Having reviewed this, it is of note that the bill indicates that the amount of gas used for the same period in the previous year was significantly higher, than the dates in 2022.

Further, the estate of Mr S provided another gas bill, with the dates of gas use from 3 December 2022 until 16 March 2023. Again, I note that the amount of gas used is significantly lower than the previous year. Also, both gas bills had amounts where readings were provided. And the amount of gas used (where readings had been given) was very low.

I'm satisfied that the estate of Mr S was aware of the endorsement and its requirements. And I think that it's reasonable that UKI were permitted to rely on the endorsement. Once it does so, it's for the estate of Mr S to prove that the heating was on, and that he had complied with the other requirements of the endorsement.

The estate of Mr S provided the bills (and his diagram) as proof that the heating had been on. But, having reviewed all the evidence, I agree with UKI that the bills supported that there was very low gas use over the period. Further, as the estate of Mr S had told UKI that the heating system was on a timer, this also didn't support that he had complied with the endorsement. As a requirement of it was that the heating system had to be '*left on at all times*'.

I acknowledge the estate of Mr S' strength of feeling about this complaint and the reason why he referred it to our service. I understand that my findings are likely to be a disappointment to the estate of Mr S. But, in the overall circumstances of this complaint, I haven't seen enough evidence to show that UKI acted unfairly by declining his claim, due to it relying on the policy endorsement. I'm therefore not going to tell it to do anything further here.

My final decision

For the reasons given, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mr S to accept or reject my decision before 28 November 2023.

Ayisha Savage
Ombudsman