

The complaint

Ms B has complained about her holiday home insurer Covea Insurance plc because it has declined her claim for her boiler which was found to be damaged after a night of unusually low, below freezing temperatures where pipes had burst.

What happened

In January 2024, Ms B, aware that temperatures were forecast to be extremely low, switched off the mains water at her holiday home, but left the heating on. The next day – following temperatures of minus 11 degrees centigrade overnight – Ms B switched the water back on, at which point leaks were found. The boiler was discovered to not be working, Ms B thought it had frozen. She contacted Covea. It asked for photos and an estimate for repair.

Ms B had a plumber assess the boiler. He reported that in assessing frost damage he found two parts of the boiler had burst and the printed circuit board (PCB) had been damaged by water. He concluded the boiler had been damage beyond repair. His report and quote to replace the boiler, along with some photos, were shared with Covea.

Covea noted there was policy cover for “Escape of water from and frost damage to....heating installations”. But it told Ms B that her claim was declined because the policy did not cover repairing the actual leaks.

When Ms B disputed that outcome, Covea, in a final response letter, said that, in order for a claim to be successful “it must be proven beyond all doubt” that the circumstances are consistent with the event claimed for (in this case escape of water from or frost damage to heating installations). Covea said that Ms B’s report was not persuasive as it did not confirm what the primary reason was for damage, or why parts had burst. Covea said it thought the proximate cause of the damage was likely an initial problem with the boiler “as opposed to a leak from the PCB causing the heating to stop working” – with the problem with the boiler having allowed the pipes to freeze. So it was satisfied the decline was reasonable.

Ms B was unhappy. She complained to the Financial Ombudsman Service. She said the boiler had been replaced at a cost of £2,250.

Our Investigator noted the cover available on the policy. As well as the findings of the expert plumber. She noted the limited evidence provided by Covea. On balance she was persuaded that the claim decline had been unfair and unreasonable. She felt the fair and reasonable remedy was to say Covea should reimburse Ms B’s costs, plus interest.

Covea said it did not agree with that outcome. It said Ms B’s first report of the claim referenced the heating had stopped working. It noted she’d said the boiler had frozen – and it didn’t think that would likely happen if the heating had been working. It felt it was fair then to say the main cause of the damage was “a problem with the heating going out”. Covea said the expert report noted the damaged parts of the boiler but was silent as to the proximate cause of the failure. It maintained there was no cover.

The complaint was referred for an Ombudsman’s decision.

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.

I'm satisfied that this is a relatively simple issue. I've bulleted my key findings below.

- Ms B reported burst pipes and a frozen boiler.
- Covea noted the policy cover for water and frost damage.
- Ms B's plumber, reporting on frost damage to the boiler, referenced burst parts *and* a water damaged PCB.
- Covea, seemingly overlooking the PCB damage or misunderstanding it, declined the claim on the basis that the policy doesn't cover the cost of repairing leaks.
- Covea did not send its own plumber out to assess the boiler.
- Covea said a successful claim has to be proven beyond doubt. But that is the wrong burden – a claim will succeed if its *most likely* an event covered by the policy has caused damage (and an insurer does not show that a policy exclusion or condition applies to limit or remove liability).
- I'm satisfied that the details Ms B gave, when making the claim, given the policy cover available, showed that the boiler, on the face of it, had likely suffered damage covered by the policy.
- I'm satisfied that Ms B evidenced that further with the plumber's report.
- I've reviewed Covea's thoughts on proximate cause and what may have happened to the boiler – but as it did not have an expert assess the boiler, I don't find its comments in this respect are that persuasive.
- The boiler was damaged at a time of significantly sub-zero temperatures. A plumber, assessing the boiler, offered a professional opinion on the damage to the boiler. He found the PCB was water damaged. He felt the boiler was beyond economic repair. Ms B has incurred a cost to replace the boiler. Her policy offers cover in the event of loss or damage caused to heating installations by escaping water and frost. Covea has not shown, for example by providing an expert opinion to counter that of the plumber, that its most likely the cover should not apply in this instance.

Having considered everything, I'm satisfied that, on balance, Covea's decline of Ms B's claim for her damaged boiler was unfair and unreasonable.

Putting things right

It follows that I'm also satisfied that it's fair and reasonable to require Covea to reimburse Ms B's outlay for replacing the boiler, plus simple interest, applied from the date the replacement was paid for until settlement is made.

*Interest is at a rate of 8% simple per year and paid on the amounts specified and from/to the dates stated. HM Revenue & Customs may require Covea to take off tax from this interest. If asked, it must give Ms B a certificate showing how much tax it's taken off.

My final decision

I uphold this complaint. I require Covea Insurance plc to provide the redress set out above at “Putting things right”.

Under the rules of the Financial Ombudsman Service, I’m required to ask Ms B to accept or reject my decision before 10 January 2025.

Fiona Robinson
Ombudsman