

The complaint

Mrs F complains that U K Insurance Limited (UKI) declined a claim she made under her home insurance policy.

What happened

Mrs F noticed a loss of water pressure, so she contacted her water company who visited and advised there was a burst pipe. The water company confirmed the leak was Mrs F's responsibility to resolve (as it was on her land).

As Mrs F was concerned about potential damage being caused, she arranged for repairs to be carried out by the contractor recommended by the water company.

Mrs F subsequently made a claim to UKI, her home insurance provider, for the costs she incurred in carrying out the repairs (around £840).

However, UKI declined Mrs F's claim. This was on the basis that the contractor that completed repairs said the cause was faulty workmanship during a previous repair, and faulty workmanship is excluded under Mrs F's policy.

As the previous work to the pipe was carried out prior to Mrs F moving into the property around ten years before, she doesn't agree it failed due to poor workmanship. She argues that it could have failed for other reasons, such as environmental conditions or age of components, but she says that hasn't been taken into account.

As Mrs F remained unhappy with UKI's claim decision, she approached this service.

One of our investigators looked into things but she didn't uphold the complaint. She said UKI hadn't acted unfairly by relying on the conclusions reached by the contractor who completed repairs, and faulty workmanship is excluded under Mrs F's policy. She said there was no other evidence to support another insured event occurred, and she didn't think UKI had acted unreasonably by not visiting Mrs F's property, as the repairs had already been completed when she made the claim.

Mrs F didn't agree and asked for a final 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, and whilst I appreciate it will come as a disappointment to Mrs F, I've reached the same outcome as our investigator.

Mrs F's insurance policy covers a number of insured events, such as fire, theft and flood. It also covers accidental damage to underground services, including pipes. And one of these insured events needs to have occurred for a claim to be considered. But whilst the policy covers a number of different insured events, there are also exclusions applicable to the policy.

Before making a claim to UKI, Mrs F arranged for repairs to be carried out to the pipe by the contractor recommended by her water company. So, UKI didn't have an opportunity to inspect the pipe prior to a repair being completed. Therefore, to consider whether the claim was covered under the terms of Mrs F's policy, UKI considered the remaining information available.

UKI relied on both an image of the pipe, and the repairing contractor's conclusions on the cause of the failure, which they said was:

"...due to poor workmanship as the fittings had not been done up correctly and the pipe was not pushed in properly"

UKI subsequently declined the claim on the basis of the following exclusion in Mrs F's policy terms:

"Just like most insurers we don't cover:

...

- Faulty workmanship, faulty design or the use of faulty materials."*

Mrs F says she has lived in her property for around ten years, and any previous work to the pipe pre-dated this. Given the passage of time since then, she says there could have been other reasons that the pipe failed rather than poor workmanship, such as environmental conditions or age of components, but she says this hasn't been taken into account.

However, the only report on a cause of failure is that provided by the repairer.

Whilst there *could be* many reasons for the failure, the only expert report and conclusions on the cause of failure is that provided by the person who actually inspected and repaired it, and they concluded it failed due to poor workmanship. Given this, I don't think UKI has acted unfairly by relying on their conclusions.

As I outlined, for a claim to be covered, an insured event needs to have occurred, which isn't then defeated by an exclusion in the policy. The policy does cover accidental damage to underground services, but no expert has concluded that accidental damage has been caused to it. Instead, they concluded that it failed due to poor workmanship, which is excluded under Mrs F's policy. With this in mind, I don't think UKI has acted unfairly by declining the claim.

I recognise Mrs F is unhappy that UKI didn't attend her property. But she made the claim after repairs were carried out. So, at that stage there wasn't anything for UKI to inspect, therefore I wouldn't expect them to visit. Instead, I'd expect them to consider the remaining information available to establish if there is a valid claim, and that's what they've done by reviewing the repairing contractor conclusions, which don't demonstrate an insured event has occurred.

Mrs F has also questioned if all previous works carried out prior to her moving into the property would be excluded on the same basis. However, each claim that arose would need to be considered individually against the terms of the policy to see if it would be covered as an insured event, or if an exclusion applied.

My final decision

It's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 2 February 2024.

Callum Milne
Ombudsman