

The complaint

Mr and Mrs R complain that Tesco Underwriting Limited declined their claim for damage to their septic tank on their home insurance policy.

Mr and Mrs R have been represented by a third party throughout this claim and complaint. However for ease, I've referred only to Mr and Mrs R in this decision. All references include the actions of the third party.

What happened

Mr and Mrs R had a home insurance policy with Tesco. In March 2022 they noticed a bad smell coming from their septic tank. They discovered that the baffle was damaged and the tank needed to be replaced. They made a claim on the policy.

Tesco sent an expert to inspect the tank and subsequently declined the claim. It said the damage had been caused by a build up of wipes in the system, which shouldn't have been disposed of in this way. And the soakaway had reached the end of its life causing waste to back up. It therefore said as the damage hadn't happened suddenly, but instead over time, there was no insured event and no cover under the policy.

Mr and Mrs R were unhappy with this. They said they didn't use wipes and had seen no evidence of any present in the tank. And they said the baffle had come away from the main system which would have happened suddenly so should be covered under accidental damage. They made a complaint but Tesco didn't uphold it. So they brought it to this service.

Our investigator considered the issues but didn't recommend the complaint be upheld. He said there was no evidence that the damage happened suddenly and therefore Tesco had acted fairly by declining the claim as there was no insured peril.

Mr and Mrs R didn't agree and asked for their complaint to be reviewed by 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.

Tesco has declined the claim because it says there isn't an insured peril. I've considered whether it has acted fairly in doing so.

When an insurance claim is made, it's first for the insured to show that there's an insured peril – that's an event that is covered under the policy. Here the peril that may have applied is 'Accidental damage' which is defined in the policy as:

'sudden unexpected physical damage which has not been caused deliberately'

Tesco sent out a loss adjuster and a drain expert to inspect and report on the damage. I have looked at the reports produced, and I can see that a build-up of wipes was identified as a possible cause of the damaged baffle. And the soakaway leading to the tank was also

found to be backing up causing a blockage. The loss adjuster summarised the findings from the expert in its final report. In this it said:

'The first is soakaway pipework which has become exhausted, i.e. it has reached the end of its life, causing the waste to back-up to the septic tank; along with this and the weight of wipes this has caused the internal component to partially collapse...'

'There was no evidence to suggest Accidental Damage, and it is apparent that the failure is simply because the system has come to the end of its life'

So the expert concluded that there were two possible causes of the damage to the baffle, and both are gradually occurring and not reasonably classed as sudden damage.

The loss adjuster also said in his preliminary report:

'The Insured advised that there have been no incidents in the garden in the vicinity of the septic tank location, no recent works in the garden, and no repairs to, or issues with the septic tank prior to March 2022.'

So it seems there were no external incidents that Mr and Mrs R were aware of that may have caused the damage suddenly.

I note Mr and Mrs R comment that they don't use wipes. And that the wipes would have entered the tank without making contact with the baffle, so they couldn't have caused it to become dislodged. It isn't the role of this service to determine the cause of the damage to a tank ourselves, by considering the make-up of the system. Instead we rely on the opinions of experts who have inspected the system themselves. So while I don't doubt Mr and Mrs R's account, they've not provided any expert evidence to show that the findings of Tesco's expert were incorrect. And as Tesco has provided an expert report that has identified two possible causes, as well as a report from its loss adjuster, I'm more persuaded by these.

Based on the findings of these reports, I'm persuaded that the damage to the septic tank is most likely a gradually occurring cause. And for that reason, I think Tesco acted fairly by declining the claim.

My final decision

For the reasons I've given, I don't uphold Mr and Mrs R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R and Mr R to accept or reject my decision before 15 January 2024.

Sophie Goodyear
Ombudsman