

The complaint

Mrs P complains that Admiral Insurance (Gibraltar) Limited declined her claim on her home insurance.

What happened

Mrs P had home insurance with Admiral. In December 2019 she made a claim after waste water from her kitchen sink and washing machine rose up to ground level and caused damage to the wooden floor in her conservatory.

Admiral sent out a contractor to carry out an investigation into the cause. The contractor concluded that pipes from the sink and washing machine terminated into the earth below the conservatory, rather than into a drain. This meant over time the earth had become saturated which led to water rising onto the floor and walls of the conservatory.

Following this Admiral declined Mrs P's claim. It said three policy exclusions applied:

- Any loss or damage caused by faulty design, plan, specification, materials or workmanship.
- Any loss or damage caused by anything that happens gradually including wear and tear, wet and dry rot, damage due to exposure to sunlight or atmospheric conditions, due to settlement, or any due to mildew, rust, corrosion, birds, insects, woodworm, pests or vermin.
- Any loss, damage, injury or liability as a result of an event which happened before this policy commenced.

Mrs P didn't agree. She said she had only moved into the property 18 months before the claim, and there had been no problems raised on her pre-purchase survey. She made a complaint.

Admiral didn't uphold the complaint. It said it was satisfied that the three policy exclusions applied, as the pipes had been incorrectly fitted to drain into the earth.

Mrs P didn't think this was fair. She said after Admiral's contractors had left, she dug into the ground a little deeper and took photos of a drain that was buried deeper down. She said that this proved there was the correct drainage in place. She brought her complaint to this service.

Our investigator provided Admiral with the photo of the drain, but it said this didn't change its view. It said this showed the waste pipes weren't connected to the drain so the exclusions still applied. Further it said blocked drains were also excluded from the policy. Our investigator considered everything and thought Admiral had acted fairly by declining the claim based on the exclusions. So she didn't recommend the complaint be upheld. Since our investigator issued their opinion, Mrs P has confirmed that she has had the problem repaired. She said the company she instructed had confirmed that there was a drain in place and the issue was that this was blocked. So she says Admiral were wrong when it concluded there was no drain.

Our investigator considered this but it didn't change their view. So Mrs P asked for her 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.

When an insurance claim is made it's for the insured to prove there is an insured peril – something that is covered under the policy. It's then for the insurer to either accept the claim or prove an exclusion applies.

In this case Admiral has said three policy exclusions apply. In order to fairly decline the claim it only needs to prove that one applies. So I need to decide if it has done enough to prove that one of the exclusions it has quoted fairly applies to this claim.

To do this I've looked at the evidence provided by both sides. At this service, we aren't experts in buildings or drainage issues, so we rely on reports from those who are.

When the claim was made Admiral sent out a leak detection expert to determine the cause of the problem. Its report concluded that the pipes taking waster water from various kitchen appliances terminated straight into the ground, rather than into foul drainage. It has explained that usually these pipes would connect directly to the main drainage so the waste water could be carried away. It says where the water has been going into the ground, this has become saturated which caused the rising water.

Based on this I think Admiral have proved that the exclusion for faulty design applies. The expert has explained that the cause of the problem is how the pipes were positioned and this is a fault with the design and installation.

However Mrs P has also provided evidence that she says shows Admiral's expert didn't carry out thorough enough investigations and therefore came to the wrong conclusion. So I've considered what she's provided to decide if this shows the exclusion has been unfairly applied.

First, she has provided an image of the drainage pipe, which is in the vicinity of where the problem originated. Having looked at the image, and considered Admiral's comments on it, it isn't enough to persuade me that Admiral's expert's conclusion was incorrect. The image shows a drainage pipe, but it doesn't show that the outlets from the sink and washing machine were connected to this pipe. Admiral hasn't said that a drainage pipe didn't exist, just that the pipes from the appliances weren't connected to it, to allow water to drain correctly. So I don't think this photo shows that Admiral's report is incorrect or that the exclusion wouldn't apply.

Mrs P has also said that she has now had the required repairs completed. She says that the drainage expert she used confirmed that the main drain was blocked and the pipework to the drain needed to be replaced. She says this shows that Admiral incorrectly diagnosed the problem.

Mrs P hasn't provided a report or comments directly from the expert who carried out the repair. She has just passed on comments that were made at the time of the repair. Whereas Admiral has provided a report from an expert. As we rely on the opinions of experts, I would generally be more persuaded by a written expert report.

However I've considered what she has said. In Admiral's expert's report, it said that the pipes from the washing machine and sink drained into the ground. And the comments passed on from Mrs P's expert don't confirm that this wasn't the case. While the drain may have been blocked, this doesn't mean that the pipes were correctly connected to the drain. And I've seen nothing to show a blocked drain was the cause of the rising water and damage to her conservatory, rather than the pipes draining into the earth.

For these reasons I'm satisfied that Admiral has done enough to prove the faulty design exclusion fairly applies in this case. So I won't ask it to do anything differently.

My final decision

For the reasons I've given, I don't uphold Mrs P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 14 July 2021.

Sophie Goodyear
Ombudsman