

The complaint

Mrs L complains about AA Underwriting Insurance Company Limited handling of an escape of water claim on her home insurance policy.

What happened

The background of this complaint is well known to both parties and has been detailed by our investigator previously. So, I'll summarise the key points I've focused on within my decision.

- Mrs L had already claimed on her policy for damage to her kitchen following an escape of water from an internal soil stack.
- Whilst the repairs were being completed for this, Mrs L told AA she noticed the bathroom flooring was lifting.
- AA say this water damage was caused by clean water so can't be related to the first claim. AA registered this as a second claim and applied the policy excess.
- Mrs L believes the pipes were disturbed when the toilet was removed so the leak occurred due to the repairs being completed on the original claim.
- Our Investigator upheld the complaint. She thought it was more likely than not that when the toilet was removed to complete the repairs for the first claim that the pipework was disturbed causing the second leak.
- AA disagree, it says it is unlikely any repairs to the soil stack would cause enough damage to displace the pipes underneath the bath. It says the bath wasn't disturbed as part of the original claim just the toilet pan being removed to identify the leak.
- The complaint has been passed to me, an Ombudsman to make a final 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've looked at the photographs Mrs L has supplied of the pipework and the layout of her bathroom. Mrs L explained that one of the pipes is from the toilet and the other is the bath waste pipe. I can also see that under the scope of works for the original leak it confirms the toilet was to be removed and refitted as well as the hand basin and vanity unit.

I'm satisfied that the pipework is all interlinked and although there are separate pipes feeding the toilet and bath, they lead into one pipe. I accept that AA say the bath wasn't disturbed as part of the original claim and the work on the soil stack was unlikely to disturb this pipework. But I think it more likely than not that the second escape of water arose because of the original repairs. When the toilet and hand basin were removed and refitted, I think it's likely that the pipework was disturbed and could easily have nudged the bath waste pipe out of place. Therefore, I'm satisfied the escape of water from the bath waste pipe shouldn't be recorded as a claim under the policy, which means no policy excesses are payable for this second escape of water incident.

I've considered the impact this has had on Mrs L. She was put to the inconvenience of having to arrange through her separate home emergency policy to have the leak traced and fixed. She has also explained that she was really worried about having to find the further funds to pay the excess AA required to get the damage repaired. I'm satisfied that the circumstances have caused Mrs L distress and inconvenience and I award Mrs L £200 compensation for the trouble and upset.

Putting things right

I instruct AA Underwriting Insurance Company Limited to:

- Remove any reference to a second claim on its internal or external databases.
- Pay any costs incurred in finding the leak and repairing the bath waste pipe including any policy excess Mrs L had to pay under her separate home emergency policy. Add 8% simple interest¹ from when payment was made to the date of settlement (on receipt of evidence of those costs from Mrs L).
- Pay costs to repair any damage caused by the escape of water.
- Pay £200 compensation within 28 days of the date on which we tell it Mrs L accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

¹HM Revenue & Customs requires AA Underwriting Insurance Company Limited to take off tax from this interest. If it deducts tax it must give Mrs L a certificate showing how much tax it's taken off if she asks for one.

My final decision

For the reasons given above I uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L to accept or reject my decision before 5 August 2022.

Angela Casey
Ombudsman