

The complaint

Mr V complains about the decline of his home emergency claim by Millennium Insurance Company Limited ('Millenium').

As Millenium have accepted responsibility for agents acting on their behalf, in my decision any reference to Millenium should also be interpreted as covering the actions of their appointed agents (engineers and any managing agents).

What happened

The background to this complaint is well known to Mr V and Millenium. Rather than repeat in detail what's already known to both parties, in my decision I'll focus mainly on giving the reasons for reaching the outcome that I have.

Mr V reported a claim under his home emergency policy on 17 April 2024. He discovered it after having work done on his boiler. An engineer attended on 18 April 2024 and reported that there was water leaking from the toilet area. On 30 April 2024, another engineer attended. They reported that having removed tiles to gain access to the toilet, the cistern wasn't secured to the wall, it was moving and this had caused the cistern to leak and it needed replacing. The same engineer also reported the toilet pan was leaking and needed replacing.

Mr V's £60 call out fee was refunded as the claim was declined. Mr V strongly objected to the decline. He said the toilet had been adequately installed, the toilet had been working fine for 20 years without issues - and it was only loose after the second engineer had tried to gain access.

Millenium declined the claim and as Mr V remained unhappy, he raised a complaint. Millenium didn't uphold the complaint and Mr V referred it to our Service for an independent review. Our Investigator then considered the complaint, but she didn't recommend that the complaint be upheld. As Mr V didn't agree, the complaint was then referred to me for a decision.

I recently sent both parties a copy of my provisional decision. As the deadline for responses has now passed, I've considered the complaint for 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.

Our Service is an alternative, informal dispute resolution service. Although I may not address every point raised as part of this complaint - I have considered them. This isn't intended as a discourtesy to either party – it simply reflects the informal nature of our Service.

Responses to my provisional decision

Only Mr V acknowledged receiving my decision. His comments don't materially change the

outcome I'd intended to reach. He is right that this policy, on the spectrum of home emergency policies, is certainly at the more useful end. But the compensation I'm directing Millenium to pay is not related to his costs/outlay. It's related to the service they provided whilst responding to the claim.

As no new evidence has been presented that materially changes the outcome I'd intended to reach, I find no fair or reasonable reason to deviate from my earlier findings - and they form the basis of this, my final decision.

The scope of my decision

It's not the role of our Service to determine how the damage that Mr V is claiming for occurred. We are not plumbing experts. Our role here is to consider whether Millenium fairly responded to and considered the claim Mr V made before declining it.

The claim decline reasons

This claim was declined for two main reasons. Millenium said:

"The fault in the cistern causing this to leak has occurred because the system hasn't been installed correctly initially and unfortunately per your terms and conditions your policy doesn't cover pre-existing faults..." and

"In regards to the leaking toilet pan, sanitary way isn't covered by the terms and conditions of your policy."

It's fair and in line with the policy terms that any toilet pan related costs aren't covered. I'll return to the installation decline later in my decision.

The reports provided

Mr V has provided extensive commentary on the declined claim. He's said he disputes the engineer's report and the engineer using force to gain access to the cistern caused it to become loose. He also says that just under two months after the engineer visited, he attempted a fix himself [bold added for emphasis]:

"I rehung the cistern on the mounting screw and fitted a temporary board where the boxing panel had been. This held the cistern firmly in place.

I turned on the water and filled the cistern, I noted that the ball valve did not operate correctly and water continued to slowly flow and rose above the overflow outlet.

*I then noted a small leak where the overflow outlet joined. I tightened the connecting nut and the leak stopped. We have hard water, which had led to a scale build up on the valve, which worked correctly after cleaning. **It appears that this was the cause of the original problem, as upon further inspection there were tell tale marks of a leak emanating from the overflow joint with the cistern.***

indeed, I believe that if the engineer had correctly identified the cause of the original leak then he could have carried out a very simple repair, we would not have been without a bathroom for months and we would not be facing a hefty repair bill."

After referring his complaint to our Service, Mr V has also provided a report from a plumber who visited around three months after Millenium's engineer. Below are key extracts [bold added for emphasis]:

“the original cistern and toilet pan were undamaged and in decent condition and therefore could be retained. We decided to replace the ball valve as a matter of ongoing maintenance as the previous one had served well for over 20 years but was suffering a little with water damage”

“It is unlikely that the cistern would have been loose prior to the removal of the tiles and the front panel along with the timber supports to the front panel as when these were in place there would have been nowhere for the cistern to move to. It is and a snug fit. I suggest that the cistern came forward from the wall during the process of removal by the plumber.”

“I personally believe that the problem could have been resolved without the need to remove all the tiles and board from Infront of the cistern. The problem as has become evident was due to a faulty valve, accessible from above and a loose connection to the overflow which was also accessible from above.”

“Contrary to the suggestion by [Millenium’s agent], the original cistern and the pan are now back in use. There is and was no leak from any damage to either of these.”

“I would suggest that checking the ball valve and overflow connections thoroughly would have revealed the problem without the need for such invasive action.”

I’ve given equal weighting to both reports, even though Millenium’s is contemporaneous (as it took place much closer to the loss event), as explained below, Mr V’s report undermines the earlier findings.

Our Investigator shared this information (the second report) and photos with Millenium for their comments. They said in summary that the toilet was leaking from several areas including the flush pipe, flush cone and the cistern itself, the cistern wasn’t secured to the wall and the toilet pan was leaking and it was reasonable that a replacement was recommended. In addition, they’ve said the toilet was 20 years old and the only way to diagnose the problem was to remove tiles and boxing.

Having carefully considered what both sides have said, I partially uphold this complaint for the following reasons:

- I find it wasn’t an unreasonable course of action by Millennium to strip back the boxing and tiles to fully evaluate the problem. I note Mr V’s comments about this not being necessary, but this is also with the benefit of hindsight.
- The removal of that area may have contributed to loosening the toilet or it might not have. I can’t safely say.
- However, Millenium’s findings have been severely undermined by Mr V’s later comments - and in particular the re-use of certain parts Millenium had deemed to be part of the leaking issue. This has caused avoidable frustration, inconvenience and loss of trust.
- On balance, I don’t find that Millenium fairly or fully investigated the claim before declining it. But I’ve also kept in mind the type of policy being claimed against here (even though Mr V had the highest level of cover offered) and generally a home emergency policy is only intended to respond to the immediate emergency and prevent further damage occurring. For example, in the policy terms here it offers

limited trace and access cover and refers to claiming under home insurance for '*or any other kind of damage that's normally covered by household insurance.*' This policy would have responded to any issues with the toilet pipework or drainage but not repairs to the actual ceramic parts of the toilet.

If things had happened as they should have with the visit of both engineers, I still don't find it would be fair to require Millenium to cover the cost of Mr V's remedial work, particularly given the policy limitations about pre-existing faults that happened before the start of the policy and the cause of the damage given by Mr V.

- I've then considered the actions taken by Mr V after April to mitigate the impact. It wasn't until around two months later he attempted to resolve the issue and it wasn't until around three months after the initial visit he had the problem resolved.
- As Millenium refunded the £60 call out fee (policy excess) and Mr V has since had the toilet repaired, I've thought about what needs to happen to fairly put things right here. I find the fairest outcome here is Millenium make a payment to Mr V in recognition of their service failings when responding to the claim and diagnosing the cause.
- Although Mr V has heavily emphasised Millenium's agent offer to complete the works privately, I don't find this unusual. I say this because often an agent attending on behalf of an insurer will generally have an idea about what will be covered and not covered by this type of policy (although it's the insurers ultimate decision to decline a claim) and may offer to carry out works privately.

Putting things right

I find that Millennium Insurance Company Limited have caused avoidable inconvenience to Mr V. They now need to pay him £100 in recognition of this.

My final decision

My final decision is that I partially uphold this complaint. Subject to Mr V's acceptance before the deadline set, Millennium Insurance Company Limited will need to follow my direction as set out under the heading 'Putting things right'.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 7 April 2025.

Daniel O'Shea
Ombudsman