

The complaint

Ms G has complained about the way Millennium Insurance Company Limited dealt with a claim under her home emergency insurance policy.

What happened

In April 2024 Ms G took out a home emergency policy which was underwritten by Millennium.

In June Ms G contacted Millennium as her hot water cylinder was leaking. Millennium's engineer attended the property. He found that the cylinder had been installed with plastic pipework instead of copper. Millennium said this was an installation fault and it wouldn't replace the faulty valve on the cylinder until the pipework had been replaced or an assessment confirmed that the current plastic pipework was sufficiently heat resistant. The engineer said the plastic pipe could break or explode at any point due to the heat and pressure which could result in serious or even fatal injury.

Ms G provided evidence that that under current building regulations non-metallic pipework could be used.

Millennium agreed that this was the case but referred to the relevant building regulation which says that any non-metallic pipe should be made of a material that has demonstrated that it can safely withstand high temperature water and is clearly and permanently marked to identify this product. It said Ms G's pipework didn't have this marking.

Ms G arranged for her own plumber to replace the safety valve on the cylinder and that stopped the leak. She also arranged for the plastic pipework to be replaced with copper.

Ms G complained to Millennium. She didn't think she should have had to replace the plastic pipework as this wasn't connected to the cause of the leak.

As Millennium didn't change its decision, Ms G brought her complaint to this service. Our Investigator didn't think Millennium had acted unfairly. As Ms G didn't agree, the matter has been referred to me. Ms G asked us to consider whether Millennium had met its obligations under the Consumer Duty rules.

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.

Ms G has provided evidence that the pipework upgrade was not related to the leak. The leak was repaired by replacing a safety valve. I accept that is the case.

The question for me to decide is whether Millennium treated her fairly by saying that the plastic pipework had to be replaced or certified as safe before it would replace the valve. I think it did and I'll explain why.

Regarding safety risks the policy says:

“Our engineer will not start or continue doing any work in your home if they believe there’s a health and safety hazard. Our engineer will only return to finish that work if that risk is gone.”

It goes on to say:

“From time to time, we may inform you that your system needs repairs or improvements, to keep it working safely, but are not covered by your insurance policy (for example, if your ventilation doesn’t meet current Gas Safe regulations).

If you decide not to follow this advice, you may not be covered for any further repairs to your boiler or system under this insurance policy, and your insurance policy will keep running until you or we change or cancel it.”

Millennium’s engineer raised concerns about the safety of the pipework which he said could result in *“a catastrophic failure, which could put anyone present in danger of severe scalding. As a result of this danger, [Millennium] will not be able to repair the valve until the pre-existing faults present have been upgraded to the correct materials stated in the manufacturer’s instructions. A common upgrade would be to copper pipework which is heat resistant well above boiling temperatures. As stated, we are happy to repair the faulty valve once the upgrade has been completed to the pre-existing incorrect pipework.”*

I appreciate that the leak wasn’t caused by the pipework but by a valve. But Millennium was entitled to rely on the advice of its engineer that Ms G’s pipework was potentially unsafe to work on. Based on the evidence provided by its engineer I don’t think it acted unreasonably in regarding the plastic pipework as a safety risk unless Ms G could provide an assessment that the pipework could withstand high temperature water. Ms G has not provided any comparable expert evidence to persuade me that its engineer’s conclusion was incorrect. I am therefore satisfied that it was fair for Millennium to rely on the policy terms and say that it wouldn’t replace the valve until this issue had been resolved.

When deciding what’s fair and reasonable, I’ve taken into account the obligations placed on Millennium under the Insurance Conduct of Business Sourcebook and Consumer Duty. Whilst firms have an obligation to deliver good outcomes to retail customers, this doesn’t mean insurers should accept every claim unconditionally. Ultimately the claim still has to be considered in the light of the policy terms and specific circumstances.

While I appreciate Ms G is unhappy that Millennium imposed conditions before it would accept her claim, I’m satisfied that its decision to do so was fair and reasonable in the circumstances. Although I understand this isn’t the outcome Ms G would have liked, I won’t be requiring Millennium to do anything more to resolve this complaint.

My final decision

For the reasons set out above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Ms G to accept or reject my decision before 14 April 2025.

Elizabeth Grant
Ombudsman