

The complaint

Mr and Mrs L complain that UK Insurance Limited (“UKI”) unfairly declined their claim for flood damage to their garden and patio, under their home buildings insurance policy.

I’ll refer to Mr L in my decision for ease.

What happened

Mr L says he became aware of “*sudden and adverse changes to his patio*”. So, he contacted UKI to make claim under his policy. Mr L says the damage was the result of an unexpected failure of underground water pipes. This resulted in a large volume of water entering his garden causing damage. This included his patio and a garden wall.

Mr L says UKI’s loss adjustor told him the garden damage wasn’t covered but indicated that the patio would be. He subsequently received confirmation his claim was declined in full. Mr L referred the matter to our service. Another ombudsman issued a decision on Mr L’s complaint. He thought the damage had occurred over time due to multiple flooding events. In his decision he says UKI should reconsider the matter if Mr L could provide new information in support of his claim.

Mr L obtained reports from three building contractors. He submitted this information to UKI, but it maintained its decision to decline his claim. Mr L referred the matter to our service again. Our investigator didn’t uphold his complaint. She says UKI had acted fairly by declining Mr L’s claim as the damage was due to a gradual operating cause.

Mr L didn’t accept our investigator’s findings and so the complaint has been passed to me to decide.

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.

Having done so I’m not upholding Mr L’s complaint. I’m sorry to disappoint him but I’ll explain why I think my decision is fair.

It’s for the policyholder to show that they’ve suffered an insured loss. If they can then, generally speaking, the insurer should pay the claim. This is unless it can reasonably rely on a policy exclusion not to. I’ve focused on what this means in Mr L’s claim.

The ombudsman that considered Mr L’s initial complaint found UKI’s evidence persuasive that the damage had occurred gradually. My role is to review the information Mr L has since supplied and consider whether it’s fair for UKI to maintain its decline decision.

The reports Mr L supplied are from companies that all carry out similar work. Namely landscaping, drainage and general building. Two of these have supplied estimates for the work needed. The first report I looked at says Mr L’s garden has suffered a “*sudden*

unexpected inflow of escaped water". It says this has undermined the patio foundations. The source of the water, it says, can be traced to a culverted water pipe. Since government department drainage works were undertaken, the contractor says there has been a noted reduction in the surface water at Mr L's property.

The next report says the inflow of surface water in Mr L's garden occurred in mid-2023. This event, it says, was never witnessed before in his tenure at the property. The contractor says this has not reoccurred since, or at that magnitude. It says this suggests the damage was caused by a singular incident. The contractor again refers to the culvert as the source of the flooding.

The last report says the patio has sunk due to the faulty culvert. This allowed excessive water to be deposited on the patio that was laid on sand.

UKI sent a surveyor to assess the damage in August 2023. He says Mr L confirmed regular flooding of his garden since moving there in 2018. He says the regular flooding leaves the lawn and patio under inches of water. This has caused the patio slabs to lift and the lawn to dip. The surveyor says Mr L had investigated the problem, which was affecting other properties in the same street. And that he referred to faulty drainage systems linked to some new build properties nearby. The surveyor says the field to the rear of Mr L's home also has a damaged culverted pipe, which has been leaking water over a period of time. This causes the ground to become soaked allowing rainwater to flow into the surrounding gardens. The surveyor also highlights Mr L's comments that a retaining wall had collapsed because of the constant floods.

In his report the surveyor says there are many contributing factors as to why the garden seems to flood. But this can't be attributed to a one-off flood event. Based on the damage and the testimony from Mr L, the surveyor says the damage has occurred gradually by the regular flooding of the garden.

I've checked Mr L's policy terms. It says damage due to wear and tear, or anything that occurs gradually, is excluded from cover. I understand from what Mr L says that the problem with the flooding has been improved by works carried out to the broken underground water pipes. I'm glad to hear this.

However, I'm not persuaded from the reports Mr L provided that the damage he claimed for resulted from an insured cause. Two of the contractors refer to a one-off flood event. But this contradicts what Mr L says about the regular flooding he experienced from when he took ownership of the property in 2018. UKI's surveyor says the damage can't be attributed to one flood event. But rather this is the result of multiple floods over several years. Based on what I've read, I'm not persuaded that Mr L has shown the damage resulted from one event or that he's covered under an insured cause.

Mr L also complained about the service he received. He says UKI told him if his claim was only £5,000 this would be covered. In its complaint response UKI says it's listened to the call when this was discussed. It says its agent used £5,000 as an example of the different claims process it could follow dependent on the value of the claim.

I asked UKI to provide a copy of the call recording, which it has. The call lasts just under 33 minutes. Mr L refers to a poor previous experience involving an insurance claim. When UKI's agent advises his claim will be referred to a loss adjustor, Mr L raises concerns. The agent explains this is necessary due to the high value of the claim. She says this forms part of UKI's claims process.

Towards the end of the call the agent indicates to Mr L that the process would differ if the

claim were of a lower value. She gives the example of a claim for £5,000 being dealt with differently. But the agent didn't say or infer that a claim for £5,000 would be accepted. I agree with UKI's comments that its agent was providing an example of the different process used for a lower value claim.

UKI accepts there was a delay in it reviewing the new information Mr L provided in support of his claim. It took just over a month to do this. It also refers to a delay in its handling of Mr L's complaint.

Complaint handling isn't a regulated activity in itself. So, I can't consider it here. But I do think it's fair that UKI apologised for the delay it caused in reviewing the new information. I think it's reasonable for it to acknowledge the frustration and inconvenience this caused with a compensation payment. But I'm satisfied the £150 UKI has already paid Mr and Mrs L is fair.

In summary I don't think UKI treated Mr and Mrs L unfairly when it relied on its policy terms to decline their claim. It took too long to consider the new evidence and to respond. But I'm satisfied that its apology and compensation payment are fair. This means I can't reasonably ask it to do anymore.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L and Mrs L to accept or reject my decision before 2 May 2025.

Mike Waldron
Ombudsman