

The complaint

Mr and Mrs M complain about Accredited Insurance (Europe) Ltd's decision to turn down their accidental damage insurance claim.

What happened

Mr and Mrs M hold buildings insurance cover with Accredited, which includes cover for accidental damage to underground services.

In May 2023, Mr and Mrs M made a claim under the policy, as their shared septic tank had been damaged. Accredited sent out a contractor to inspect the damage. Though when they arrived, they said a specialist was needed. Accredited said it would send out a specialist drainage company (that I'll call C) to carry out an inspection, but this was delayed. After waiting around a month, Mr and Mrs M arranged for their own specialist drainage company (that I'll call U) to carry out an inspection.

Mr and Mrs M submitted the information from U to Accredited, who passed this onto C. A desktop review of the claim was carried out by C, and they concluded that there hadn't been accidental damage to the septic tank. Accredited therefore turned down the claim. Unhappy with this, Mr and Mrs M brought a complaint to this service.

Whilst Mr and Mrs M were waiting for us to consider their complaint, Accredited said it accepted that it had taken too long to send C to inspect the tank. It offered Mr and Mrs M £300 compensation for this.

I issued a provisional decision on 28 March 2025. Here's what I said:

'I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.'

The policy covers accidental damage to mains services, and this includes septic tanks that Mr and Mrs M are legally responsible for.

The policy defines 'accidental damage' as:

- 'Sudden, unexpected and physical damage which:*
- i. happens at a specific time; and*
 - ii. was not deliberate; and*
 - iii. was caused by something external and identifiable.'*

The septic tank in question is shared between three properties, and I understand all owners have a shared legal responsibility for the tank.

An inspection of the site was carried out by U in June 2023. They made the following main points:

- *The tank had been emptied by Mr and Mrs M so it could be inspected in its entirety.*

- The tank has a hanging baffle, and all treated effluent is discharged by means of gravity to a soakaway system.
- It was clear the hanging baffle had collapsed and had fallen towards the base of the tank.
- So, untreated effluent was being discharged to the soakaway system which would result in the exhaustion/saturation of the soakaway. Though they said the soakaway was operational at the time of their visit.
- The collapsing baffle was consistent with external pressure being applied to the baffle.
- There was visual evidence of the hanging brackets (which hold the baffle in place) being broken away from the vessel, clearly indicating exterior force was applied to the baffle.
- If the baffle had simply lifted off, they would expect to see all the clips in place.

C carried out a desktop review of the claim in July 2023. It made the following main points:

- The tank had been emptied in July 2019, but wasn't then emptied again until July 2022.
- The internal baffle had collapsed in the tank, and as it's no longer in place, it was blocking the incoming pipe making the drain overflow.
- It can clearly be seen the hanging baffle which is usually held in place by four hooks has become detached.
- There's no evidence of any accidental damage to the tank.
- They thought the tank had overfilled between July 2019 and July 2022, and the sludge had risen to a level where the tank had backed up and this had dislodged the baffle from its hooks.
- They thought this was the result of poor maintenance and recommended the claim be turned down.
- They had spoken to the company who empty the tank, and they said the baffle had been displaced the last few times it had been emptied. The company agreed with C that the tank had been left too long without being emptied, which had pushed the baffle out of place and caused it to unhook from its position.

I haven't seen any evidence from the company that empty the tank. We asked Accredited for a recording of its call with the company, but it doesn't have this. However, I note that Mr M also says he's spoken with the tank emptying company, and they advised him the damage couldn't have happened in the way that C suggests. As there's a dispute about the tank emptying company's view on the matter and I haven't been provided with any evidence from them, I've disregarded both parties' assertions on what this company apparently told both of them about the possible cause of damage.

I understand the tank is usually emptied annually. Though I note the tank was emptied in March 2023 (less than a year after it was last emptied, as waste was backing up), and then again in June 2023 so that U's inspection could take place. I would assume the reference to the baffle being displaced the last few times the company emptied the tank was in relation to these dates.

Mr M has provided this service with further photos of the damaged tank. There are four metal hooks that hold the baffle in place, and only one remains. The other three appear to have snapped off.

We shared this evidence with Accredited, who asked for C's opinion. C said the damage was a baffle hook mounting point that had broken due to excessive pressure from the baffle. They maintained that because the tank hadn't been emptied over a three-year period, this

would have caused additional pressure on the baffle and consequently the hook mounting points. They said the lack of emptying allows waste to accumulate on the baffle adding additional weight to the baffle and excess pressure on the hooks. And as the tank overfills and pushes the baffle up, some or all of the hooks may detach from their mounting point. They remained of the view that if the tank had been correctly maintained, the issue wouldn't have occurred and therefore it wasn't accidental damage.

U then provided further evidence to this service (a copy of which we've shared with Accredited with this provisional decision). They provided a diagram of how the tank works. And said this disproves the theory that waste enters the tank and accumulates on top of the baffle. They said that when septic tanks are emptied, a vacuum hose is inserted into the neck of the baffle in order to remove the waste. They said it can be very easy to strike a baffle when lowering the hose, often without the tanker operator even being aware.

Whilst U carried out an inspection of the tank, C only carried out a desktop review. Though it seems to me that C was able to see the damage clearly in the photos provided by U (as I have) and could therefore reach an opinion on what happened.

U says the diagram it has provided shows that waste enters through an inlet pipe and doesn't accumulate on top of the baffle. It said this as Mr M had asked it to clarify that waste doesn't accumulate on top of the baffle, as he thought C had meant. Though I would assume that C's reference to the waste on the baffle was to the underneath of the baffle rather than the top, given that C considers the waste built up in the tank and pushed the baffle up.

So, we have two equally qualified experts, but with a difference of opinion with regards to the cause of damage. C thinks the damage has been caused by the tank overfilling with waste, and the sludge applying too much pressure on the baffle and in turn the hooks holding it. However, U thinks the hooks that hold the baffle in place were damaged by an external force, and attribute this to the tank being emptied previously.

Mr M has provided some further background information which I think is useful and ought to be taken into account.

Mr M has explained that the tank had been due to be emptied in 2021, but this didn't happen because of the Covid-19 pandemic. Although there's three properties that share the tank, the other two properties are holiday lets and these weren't in use during the national lockdowns that took place over this period. Therefore, the tank wasn't filling at the rate it would usually be if all three properties were in regular use.

Mr M has also explained that the three properties have insurance with two insurers, and he's provided evidence that his neighbour's claim has been accepted by their insurer. I don't know the details of the claim, though I would assume it's likely to be for accidental damage.

Mr M has also made the point that if the sludge in the tank had filled up to such an extent that this had pushed the baffle up and broken off three of the metal hooks holding it, then you would expect that sludge to have gone through the outlet pipe to the soakaway. But when U inspected the tank, they said the soakaway was operational at the time of their visit. Also, he says the baffle structure abuts the edges of the tank (to retain solids within the tank) but this would also prevent the baffle from lifting and applying pressure to the hooks from below. I think these are both reasonable points.

Taking everything into account, I think it's most likely that the baffle/its hooks was/were accidentally damaged when the septic tank was emptied in July 2022. U has explained that this damage is easily done and can happen without the tanker operator being aware of it. If the baffle had been damaged because of the tank overfilling between 2019 and 2022, then I

would have expected the emptying company to have noticed this in July 2022 (as they apparently did on the subsequent occasions that they emptied the tank) and brought this to Mr and Mrs M's attention. But Mr and Mrs M only became aware of the damage to the baffle when they arranged for the tank to be emptied in March 2023. Given that the tank started failing less than a year after it had been emptied in July 2022, this adds further support to the damage taking place in July 2022.

I therefore intend to require Accredited to accept the claim, as on balance, I think the accidental damage definition has been met. As the other insurer has also accepted liability, Accredited will presumably want to liaise with that insurer to arrange who will take the lead on putting right the damage and also share the costs.

I also intend to require Accredited to reimburse Mr and Mrs M for the cost of emptying the tank for inspection. The initial contractor that Accredited sent to the property confirmed that the tank needed to be emptied before being inspected by a specialist, so it seems this always needed to be done regardless of which specialist carried out the inspection.

I also intend to require Accredited to reimburse Mr and Mrs M for the cost of U's inspection. If Accredited had arranged for its own specialist inspection to take place within a reasonable timeframe, then Mr and Mrs M wouldn't have needed to arrange their own. Also, I think that U's inspection has impacted the outcome of the matter and therefore it's appropriate for Accredited to reimburse Mr and Mrs M for this cost.

Accredited has recognised that it delayed the claim at the outset, and this caused Mr and Mrs M inconvenience. It has offered Mr and Mrs M £300 compensation for this. I'm satisfied this was reasonable and recognises the inconvenience caused to them.'

I asked both parties for any further comments they had before I made a final decision.

Mr and Mrs M responded to confirm they accepted my provisional decision.

Accredited responded and has questioned whether the claim costs would be split three ways. It confirmed it didn't have any further comments.

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.

Accredited has questioned whether the claim costs would be split three ways. In my provisional decision, I said:

'I therefore intend to require Accredited to accept the claim, as on balance, I think the accidental damage definition has been met. As the other insurer has also accepted liability, Accredited will presumably want to liaise with that insurer to arrange who will take the lead on putting right the damage and also share the costs.'

There are three properties that share the septic tank. Mr and Mrs M say that the policyholders for the three properties have buildings insurance cover across two insurers, though I haven't seen evidence of this. We know that one other insurer has accepted liability, and it may be that they insure both the other properties.

I'm requiring Accredited to accept the claim in line with the remaining policy terms. As another insurer has accepted liability, then as I've said, I would assume that Accredited will

want to liaise with that insurer to arrange who takes the lead on the claim, and then share costs. The practicalities of this will be down to Accredited and the other insurer.

As no other further comments have been made, I remain satisfied that Accredited should accept the claim, and for the same reasons as set out in my provisional decision.

My final decision

My final decision is that I uphold this complaint. I require Accredited Insurance (Europe) Ltd to do the following:

- Accept the claim in line with the remaining policy terms.
- Reimburse Mr and Mrs M for the cost of having the tank emptied in June 2023, plus interest at the rate of 8% simple from the date they paid the invoice to the date of settlement.*
- Reimburse Mr and Mrs M for the cost of U's inspection, plus interest at the rate of 8% simple from the date they paid the invoice to the date of settlement.*
- Pay Mr and Mrs M £300 compensation.**

* If Accredited considers that it's required by HM Revenue & Customs to take off income tax from that interest, it should tell Mr and Mrs M how much it's taken off. It should also give Mr and Mrs M a certificate showing this if they ask for one, so they can reclaim the tax from HM Revenue & Customs if appropriate.

**Accredited must pay the compensation within 28 days of the date on which we tell it Mr and Mrs M accept my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs M to accept or reject my decision before 9 May 2025.

Chantelle Hurn-Ryan

Ombudsman