

The complaint

Miss W complained that Admiral Insurance (Gibraltar) Limited ("Admiral") caused further damage during a drain repair resulting in costs it has declined to cover, following a claim she made under her home buildings insurance policy.

Miss W is represented by Mr B.

What happened

Mr B contacted Admiral to make a claim toward the end of September 2024. He reported a blocked toilet. He said he had appointed a contractor to unblock it who found a problem with the waste pipe. Admiral sent a drainage contractor to investigate around ten days later. It identified a 'perforated' pipe within the drainage pipe that was causing an issue. The contractor was unable to determine where the 'outfall' for the drain was. This resulted in a further inspection around a week later as this was identified as a pollution concern.

Mr B said it was eventually identified that his drainage system didn't pollute a nearby river as Admiral's contractor had suspected. But this required several inspections and caused a delay in progressing his claim. He said repairs eventually began in December 2024. But there was a lack of clarity around what repairs were insured. Mr B said the contractor attempted to remove the perforated pipe but only removed a section before it 'snapped'.

Mr B explained that after much discussion and misinformation it was confirmed that Admiral would only cover part of the repairs. It said the perforated pipe was not insured as this was the result of faulty design/poor workmanship. Mr B didn't want a part repair to be completed. So, he didn't allow Admiral's contractor to carry out the limited repairs it had specified. Mr B explained that Admiral then offered him a cash settlement for the repairs it thought it was responsible for.

Mr B made several complaints to Admiral. He received two responses in November 2024. The final complaint response he received was dated 23 January 2025. In its complaint responses Admiral offered a total of £350 for delays in its handling of the claim. It also agreed to cash settle for £2,500 less the policy excess. It said this exceeded its liability for the insured works, which was £1,883.70.

Mr B didn't think Admiral had treated him fairly and referred the matter to our service. Our investigator didn't uphold his complaint. He acknowledged delays on Admiral's part in identifying what repairs were covered under Mr B's policy. He also acknowledged that misinformation was provided by Admiral and its contractor in relation to this point. But he thought the compensation it had offered was fair and didn't think the work carried out had caused any detriment to Mr B.

Mr B disagreed with our investigator's findings and asked for an ombudsman to consider his complaint.

It 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 B's complaint. I'm sorry to disappoint him but I will explain why I think my decision is fair.

No insurance policy covers all eventualities. But the crux of Mr B's complaint is that Admiral caused further issues by its failed attempt to remove the perforated pipe. Because its contractor attempted and failed to remove the pipe – Mr B says this means no other contractor could remove it using the excavation that had been dug. For this reason, he considers Admiral should pay the full cost of the repairs to his drains. This should include the removal of the problem pipe, the repairs to reinstate this part of the drain, as well as repairs to the damaged areas the business accepted were covered under its policy.

Both parties are aware of what happened here. So, I won't provide an exhaustive timeline of events. I've read the notes from Admiral's contractor. It was concerned that the outfall for the drain could not be ascertained and that foul waste could be draining into a local river. I think it was reasonable that investigations were made to ascertain if this was the case. It took several visits and some time to identify there was no pollution concerns with the outfall from Mr B's property. Admiral concedes in its complaint response from 6 November 2024 that its contractor could have investigated more thoroughly during its first inspection. This would have negated the need for additional visits and avoided the delay this caused.

The contractor Admiral assigned is an expert in drainage. So, I can't say it was unreasonable for it to ensure that foul waste wasn't polluting a local river. The records refer to Mr B's property having been constructed over a hundred and fifty years ago, and that it wasn't clear how the sewage system was arranged. In these circumstances I think the action taken was appropriate. But the business concedes this took longer than it would expect, which added to the inconvenience, delay and frustration experienced. In these circumstances a compensation payment was reasonable. I think what Admiral offered was fair.

I've read the claim records and listened to the call recordings that were provided. It's clear there was some misinformation regarding the perforated pipe and whether this was covered as part of the repairs. Mr B maintained that he was told this was to be repaired as a goodwill gesture, which later changed. I don't dispute what he said. From what I've read and heard it's reasonable to conclude that there was miscommunication around this point. This caused further delay, inconvenience and frustration. Again, I think it's fair that a compensation payment was offered to acknowledge the impact this had.

That said Admiral need only pay for repairs where this relates to an insured loss. There is no dispute from Mr B that the perforated pipe should not be where it is. This is part of the reason why the system wasn't draining as it should. The drains expert explained this pipe was installed poorly representing poor design and poor workmanship. Both these causes are excluded from cover under Miss W's policy terms. So, there was no requirement for Admiral to pay for this pipe to be removed and for this part of the drain to be repaired.

Admiral's contractor set out repair costs for the sections of the drain that were covered by Miss W's insurance. The damage in these areas was identified as due to root ingress, joint displacement and cracking. The cost of the repairs came to £1,883.70.

When Admiral's contractor started work in December 2024 it attempted to remove the perforated pipe so it could carry out effective repairs. The pipe was removed in part. Admiral

said this improved the serviceability of the drain, as there was less pipe blocking it. However, it was unable to fully remove it from the drain. After some discussion it was agreed that the contractor could complete the insured repairs previously identified. However, Mr B didn't agree to this and wanted a full repair to include the remaining section of perforated pipe.

Ultimately Admiral offered to cash settle Miss W's claim for £2,500 less her policy excess. This was more than the repair costs its contractor had established for the insured part of the claim. In these circumstances I think this was fair. As discussed, there is no requirement for Admiral to pay for an uninsured loss.

I've thought carefully about Mr B's assertion that because the contractor tried to remove the pipe, and failed, it should be Admiral's responsibility to remove the remaining section and ensure the drain is repaired in full. But I can't see that Miss W has been disadvantaged by the work Admiral's contractor carried out. It was always her responsibility to deal with the perforated pipe. Mr B said this was made more difficult because of what Admiral's contractor did. I asked Admiral to comment further on this point. It obtained the following response from its contractor:

"We approached the work with good and appropriate methodology and in order to remove all of the perforated pipework, this would have required cutting in at least 1 location. In cutting the perforated pipework and removing what seems to be primarily the downstream section of the pipework, we noted that pipework upstream of this point (and running under the footprint of the building) was lodged/stuck on something upstream. The fact stands that whether or not [contractor] has cut the perforated pipework, an upstream section was always lodged/stuck on a point upstream of our excavation.

[contractor] does not assume responsibility for the additional cost and scope of removing the perforated pipework. [contractor] has removed some of the pipework as a gesture of goodwill and, if anything, reduced the overall work required."

I think the evidence reasonably supports Admiral's position that further work and excavation was unavoidable in order to remove the perforated pipe. I've considered Mr B's comments carefully. But I'm not persuaded from this that Admiral created additional work that will cost Miss W more to repair.

Having considered all of this I'm not persuaded that Admiral is responsible to pay more than the insured repair costs its contractor identified. I think it's fair that it offered to increase its liability payment considering the issues described here. But the business isn't required to pay for uninsured repairs. I'm satisfied that the compensation it offered is reasonable for the delays, inconvenience and frustration it caused Miss W. But I don't think it treated her unfairly when it relied on its policy terms and offered to settle the claim as it did. So, I can't reasonably ask it to do more.

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 Miss W to accept or reject my decision before 24 December 2025.

Mike Waldron
Ombudsman