

The complaint

Mr B and Mrs B have complained that Liverpool Victoria Insurance Company Limited (LV) unfairly declined a claim under their home insurance policy.

Mr B and Mrs B are represented but, for ease, I will normally only refer to them.

What happened

Mr B and Mrs B found their toilet was slow draining. They arranged for a company to assess their septic tank. The manholes were found to be full of sewage. The baffle in the tank was also found to be damaged at several places. They contacted LV to make a claim for accidental damage to the septic tank. LV arranged its own assessment. It then declined the claim because it said the septic tank had reached the end of its natural lifecycle. When Mr B and Mrs B complained, LV maintained its decision to decline the claim.

Mr B and Mrs B complained to this Service. Our Investigator didn't uphold the complaint. He said Mr B and Mrs B's report said the baffles were broken. However, he said he didn't find the report very persuasive when it said it happened at the last desludge. LV's report pointed to gradual deterioration and explained that baffle detachment was most commonly caused by wear and tear. He said the photos also supported this. There was also no evidence the company that desludged the tank caused the damage. He said it was reasonable for LV to decide the tank had reached the end of its natural lifecycle and to decline the claim based on wear and tear. He said he didn't think LV needed to pay any compensation, including for the slight delay at the start of the claim.

As Mr B and Mrs B didn't agree, including because they didn't think LV had assessed the full circumstances of the claim, the complaint was referred to me.

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 don't uphold this complaint. I will explain why.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. I'm also mindful that the onus is on the policyholder to show they have a valid claim. So, I've thought about this complaint in that context.

I've looked at Mr B and Mrs B's report. This described the property and said it was about 20 years old and said a CCTV survey had been attempted of the drainage field pipework, but the camera was immediately submerged. The report also said:

"There are separate foul and storm systems, the storm system discharges directly into several soakaways around the property, while the foul system runs to a septic tank in the

rear lawn which discharges into a drainage field in the same lawn. The septic tank was last desludged August 2024.

...

At the beginning of October 2024 Mr [B] noticed his toilets draining very slowly, he checked his septic tank and the manholes around the property and found the manholes full of sewage.

...

On emptying the septic tank, we discovered the baffle damaged at several places.

With the baffle's dislodged solids have entered the drainage field pipework causing it to cease to function.

It appears the baffles have been damaged during the last desludge in August 2024."

The report also included photos that showed what had been found during the survey.

I've also read LV's report. This said:

"We liaised with a tank emptying company and the tank was emptied whilst on site.

Upon arrival, it was noted that the tank was a ... HDPE tank which runs to a drainage field/soakaway arrangement consisting of an unknown construction. Based on the design/construction of the system we conclude the system is original to the property making this around 20 years old.

Our inspection of the HDPE septic tank revealed the internal baffle walls to have deformed and moved out of place from it's connecting structure to the walls of the tank.

Due to the baffle no longer being in place around the inlet and outlet pipework solid foul waste can enter the outlet pipework and drainage field/ soakaway arrangement downstream from this point freely which will ultimately result in the failure of the outlet arrangement.

Outlet

We carried out a CCTV survey of the outlet pipework downstream from the septic tank which revealed the outlet to be holding water, foul solids and scum for 12m before we could not push the CCTV unit further, which has started to collect within the pipework as a result of the detached baffle within the tank. During the course of our investigations, the water within the outlet pipework was not found to percolate into the surrounding ground. Our inspection of the drainage field/ soakaway arrangement on the outlet of the tank therefore revealed that it has become blocked with foul waste from the tank. The drainage field/ soakaway arrangement is therefore not functioning correctly and is no longer allowing effluent to percolate into the surrounding ground at a sufficient rate. We can now conclude that the drainage field/ soakaway arrangement has failed or is failing.

...

We then carried out a CCTV survey of the below ground drainage system, our findings of which are as follows:

Line 1 - From manhole (MH1) upstream to MH2. Our CCTV survey of line 1 revealed no significant defects to the plastic pipework. The inlet pipework is therefore free flowing and serviceable.

We also flow/dye tested the surface water system which revealed that there were no cross connections into the foul system.

From the results of our investigations, we can confirm that there is no evidence of any accidental damage to the fibreglass septic tank and connected drainage field/ soakaway arrangement at the property.

HDPE Septic Tank

The detachment of the baffle is the most common cause of failure in this type of septic tank. This is usually due to gradual deterioration of the attachment structure holding the baffle in place. We would expect this to occur after a period of 15-20 years from previous experience and is associate with gradual deterioration over time. We can conclude that this tank has exceeded its useful life and damage due to gradual deterioration and general wear and tear is excluded under policy terms.

[The company] have also been provided with tank emptying records for the maintenance of the system. The emptying records are dated 07/02/2023 and 19/08/2024

The emptying records, which are before the reported date of loss of 12/11/2024, do not stipulate that any damage was present or caused during the emptying procedure, which [the company that emptied the tank] have a duty of care to report to the customer.

We can therefore conclude that it is unlikely any damage occurred due to an external force being applied to the system during emptying, i.e. whipping of the emptying hoses, as the emptying records state no damage being present or caused during these procedures.

The damage could therefore only have occurred due to gradual deterioration of the baffle attachments which naturally weaken over time from the constant loading and emptying during the septic tanks normal operation. Damage due to gradual deterioration and general wear and tear is excluded under policy terms.

Drainage Field/Soakaway Arrangement

As a result of the damage to the septic tank, we can confirm that the drainage field/ soakaway arrangement will eventually fail due to becoming exhausted from foul solids and scum. As such the damage to the drainage field/ soakaway arrangement should also be considered as a direct consequence of the damage within the tank i.e. a gradually operating cause and not accidental damage. The claim for accidental damage to underground services will therefore be declined as there are no insurable defects to the below ground drainage system.”

So, I've thought about these two reports. Mr B and Mrs B's report found damage to the baffle and said it appeared these had been damaged during the most recent desludge. However, I'm mindful that no other information was provided to show why it was likely that the damage was caused in that way and at that time.

For LV's report, I think this was more thorough and more detailed. I think it clearly explained why it assessed it was unlikely the damage had happened at the most recent desludge, including the duty of care on the company that carried out the desludge. A range of tests were also carried out and it was assessed that the results of these didn't support that it was accidental damage. The report also explained that the most common cause of this type of tank failing was the detachment of the baffle. It said this was usually due to gradual deterioration of the attachment structure holding the baffle in place. Based on its previous experience, it expected this to occur after a period of 15-20 years. The report also noted that the tank was likely to be about 20 years old. So, I think the report clearly and logically explained why the gradual deterioration of the baffle was the more likely cause.

I'm aware Mr B and Mrs B were concerned the report, included one reference to it being a fibreglass tank, when it was actually HDPE. However, the report contained several references to it being an HDPE tank. From what I can see, the fibreglass reference was a typo. I'm not persuaded this affects the accuracy of the assessment overall. I think the report showed the company knew what type of tank it was.

Mr B and Mrs B also said LV hadn't considered the damage to the dip pipe that was referred to in their own report. Looking at the report, a photo was labelled "*Baffles Damaged & Dip Pipe Broken Off*". I couldn't find any further comment on the dip pipe in the report and it gave no assessment of how it thought it had become damaged. I'm not persuaded that LV not referring to the dip pipe indicated it didn't properly assess the claim.

The report also considered the drainage field itself. It explained that the damage to the septic tank meant the drainage field would eventually fail due to it becoming exhausted from foul solids and scum. It said this was therefore a direct consequence of the damage within the tank and therefore also gradual damage, rather than accidental damage. Again, I think this was clearly and logically explained.

So, based on what I've seen, I think it was reasonable for LV to accept its expert's findings that the damage was the result of gradual deterioration. I've looked at the exclusions under the policy. This said that LV didn't cover wear and tear. This meant it was fair for LV to decline the claim.

I've also thought about the delays at the start of the claim. It took about three weeks from when LV first received the claim to it appointing a company to assess the damage. At that point LV took steps to move the claim forward outside of its normal process to avoid any further delays. So, this seemed to address some of the delay and a survey was then promptly arranged. I think this fairly responded to this issue and I don't think LV needs to do anything further, including paying any compensation.

So, having looked at what happened, I don't uphold this complaint or require LV to do anything else in relation to it.

My final decision

For the reasons I have given, it is my final decision that this complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Mrs B to accept or reject my decision before 18 May 2026.

Louise O'Sullivan
Ombudsman