


FOS: complaints involving damage to underground pipes

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The Financial Ombudsman Service (FOS) has updated its website to include a page with guidance for businesses on complaints relating to damage to underground pipes.

It is common for building insurance policies to cover damage to underground pipes, drains, cable and tanks, normally limited to pipes the policyholder is legally responsible for.

The webpage sets out the types of complaints that it usually sees relating to damaged pipes. Amongst these are where there is disagreement as to the damage to the pipe and the cause of the damage (e.g. was it accidental? Was it wear and tear?) or where there is a policy exclusion in place.

FOS explains the key things insurers should do in handling these types of complaints, including what the drainage report needs to show, arranging repairs, what to do if the customer fixed the pipe before you inspect it, assessment of quantum, when there is a policy exclusion and when there are property boundary issues.

The most common exclusions that FOS sees are:

- Gradual damage
- Wear and tear
- Poor design, construction and workmanship.

They state that they need a drainage report to be able to make their decision and it will be the insurers' responsibility to show that the damage was most likely caused in one of these ways and that accordingly the exclusion applies.

[FOS full guidance](#) →

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