Centor War Stories

Residential Property owners: Trace and Access claim

A complex claim for trace and access costs was rejected - until Centor intervened

**Background:** Our client managed a multi tenanted residential property. There was a leak from one flat into another via a W/C but tracing the cause of the blockage was not straightforward. The Managing Agent had to engage contractors to strip back sections of ceilings, as well as removing several toilets, to try and find the cause. They even had to inspect gulley’s on the roof. It was finally established that the soil pipe running through the building, hidden behind a wall, was blocked. Two contractors were engaged in this endeavour at a total cost of over £3,000.

**Problem:** There was no “damage” to any of the flats which required actual repairs (the water which had spilled had been successfully mopped up before any significant damage had been caused). In isolation therefore, there was no cover for “Trace and Access” costs – these must be accompanied by physical damage to the property.

The insurer instructed their own plumbing and drains experts to “validate” the claim. They then stated that *“the issue is from an internal pipe – this would be considered a plumbing issue and as per the policy wording, we would not deal with this”.* To add insult to injury they also stated that even if it had been covered *“our liability would have been limited to what our contractor would have charged”.*

**What we did:** We made a formal complaint to the insurer. We pointed out that the fact that this was an internal pipe was completely irrelevant. We quoted a Financial Ombudsman ruling which states that a blocked pipe constitutes “Accidental Damage” and the finding and unblocking costs were therefore covered in full: -

<http://www.financial-ombudsman.org.uk/publications/technical_notes/accidental-damage.html>

We also argued that they were unable to limit their liability to what their own contractor would have charged – our client had acted prudently to mitigate and prevent damage from occurring so should not be penalised. Further, if the insurer has wanted to involve their contractor, they should have done so at the time – not after the event! This was a shabby attempt to scrimp on settlement which we would not stand for.

**Outcome:** The insurer responded to our complaint requesting our clients bank details so they could settle the claim in full.

Our client commented: -

“*YOU GUYS ARE AMAZING. THANK YOU, THANK YOU, Thank you! This is why I want all our buildings insurance in your hands.”*

That’s the Centor Difference.