

## **The complaint**

Mr and Mrs R are unhappy AA Underwriting Insurance Company Limited (AA Insurance) has declined a storm damage claim made under their home insurance policy.

## **What happened**

In November 2021, during bad weather, Mr and Mrs R awoke to find their garden wall had collapsed. They reported a claim to AA insurance, their home insurance provider.

AA Insurance appointed a surveyor to inspect the damage. They concluded the wall had collapsed due to what they said was poor design and faulty workmanship, so Mr and Mrs R's claim was declined by AA Insurance.

Mr and Mrs R were unhappy with this and approached this service.

Our investigator looked into things and upheld the complaint. She said there were storm conditions at the time and the damage was consistent with storm damage. She also said there wasn't an exclusion for poor workmanship or faulty design in the policy.

As the investigator was satisfied the damage was consistent with a storm, and this was the main cause of damage, she said that AA Insurance should deal with Mr and Mrs R's claim and reimburse the costs they incurred (minus the excess) having their wall rebuilt. She also said AA Insurance should add 8% simple interest to the settlement amount.

AA didn't agree. They acknowledged there wasn't an exclusion for poor workmanship or faulty design. But they said it's likely the wall has been weakened and deteriorated over time due to vegetation. So, they said the claim wouldn't be covered.

The investigator didn't think AA Insurance had evidenced vegetation had weakened the wall, and her view of things remained the same, that AA Insurance should deal with the claim and reimburse the costs Mr and Mrs R incurred.

AA Insurance didn't agree and asked for a final decision from an ombudsman.

## **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.

Mr and Mrs R's policy provides cover for storm damage, along with a number of other insured events. AA Insurance declined Mr and Mrs R's storm damage claim on the basis their wall had a faulty design and poor workmanship. They also said that the wall was suffering deterioration, and the bad weather highlighted this.

When we look at complaints about storm damage claims, we consider three questions. If any of the answers to the three questions is *no* then it's likely a claim won't succeed.

### Were there storm conditions?

Mr and Mrs R's policy covers storm damage. And the policy defines a storm as:

*"A period of violent weather defined as: a) Wind speeds with gusts of at least 48 knots (55mph) which are the equivalent to Storm Force 10 on the Beaufort Scale; b) torrential rainfall at a rate of at least 25mm per hour; c) snow to a depth of at least one foot (30cms) in 24 hours; or d) hail of such intensity that it causes damage to hard surfaces or breaks glass."*

AA Insurance said the weather conditions in the area at the time didn't show storm conditions. However, we've checked the weather records for the time of loss, using the different tools we have available (a copy of the results has also been sent to AA Insurance). One reporting tool indicated windspeeds of 46mph with gusts up to 74mph. And a different reporting tool indicated winds of up to 60mph.

Both of these weather reporting tools use different data sources, and I'm satisfied they both show there were storm conditions at the time of the wall being damaged. They also show storm conditions as defined in the policy.

### Is the damage consistent with storm damage?

Mr and Mrs R awoke to find their wall had come down and was laying, in pieces, across their garden. This type of damage is consistent with storm type damage.

### Was the storm the main or dominant cause of damage?

The original surveyor that attended said the construction of the wall was poor and it was poorly designed and it was due to this that it came down. So, AA Insurance declined the claim on the basis of faulty design and workmanship.

Mr and Mrs R have argued that the wall has stood in place for a number of years without issue, and it was only due to this storm in particular that it came down. So, they disagree that it was poorly designed.

I've looked at the terms and conditions of Mr and Mrs R's policy. Whilst this does cover storm damage, there isn't an exclusion in the policy for faulty design or workmanship. So, it wouldn't be reasonable for AA to try to rely on an exclusion which isn't in Mr and Mrs R's policy terms to decline the claim.

In response to our investigator's assessment of things, AA Insurance Limited accepted there wasn't an exclusion for poor design or workmanship. But they also said the wall would've been weakened over time and gradually become less stable. To conclude this, AA is relying on some images which show there is vegetation present, and a generalisation that this *can* cause mortar to break down. However, there hasn't been any evidence provided in supporting that is what actually happened here in Mr and Mrs R's case, or that this is why their wall came down during the storm weather.

Whilst the policy does contain an exclusion for damage caused gradually such as deterioration and wear and tear, I don't think AA Insurance has shown this applies here. The surveyor report focussed on what they said was poor workmanship and design, but they didn't say the wall was suffering from gradual wear, or deterioration, due to vegetation. So, whilst I note AA Insurance's more general comments, I'm not satisfied they've shown the corresponding exclusion applies here to Mr and Mrs R's claim.

AA Insurance has also questioned the direction of wind on the weather reports against the direction the wall collapsed. However, I don't find that argument persuasive, as the actual wind direction at ground level could be different, based on the terrain, surrounding properties and other factors.

Having taken everything into account, I'm satisfied there were storm conditions at the time, the damage is consistent with storm damage, and the storm was the dominant cause of the damage to Mr and Mrs R's wall.

Due to their property being exposed with a wall down, Mr and Mrs R have had to pay to have it rebuilt. I don't think they've acted unreasonably by doing so after AA Insurance declined their claim.

With this in mind, and as I'm satisfied Mr and Mrs R have a valid storm damage claim under their policy, AA Insurance need to reimburse the cost they've incurred in having their wall rebuilt (subject to the applicable policy excess). AA Insurance should also add 8% simple interest from the date Mr and Mrs R paid the invoice to the date of settlement.

### **My final decision**

It's my final decision that I uphold this complaint and direct AA Underwriting Insurance Company Limited to:

- Reimburse the costs Mr and Mrs R incurred in having their wall rebuilt (subject to the applicable policy excess)
- Add 8% simple interest\* from the date Mr and Mrs R paid the invoice to date of settlement

\*If AA Insurance Company Limited considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr and Mrs R how much it's taken off. It should also give Mr and Mrs R a tax deduction certificate if they ask for one, so they can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R and Mrs R to accept or reject my decision before 6 September 2022.

Callum Milne  
**Ombudsman**