

The complaint

Mr M complains that QIC Europe Limited ('QIC') declined a claim under his home insurance.

QIC used a third party company to handle Mr M's claim and most of his correspondence has been with this company rather than directly with QIC. For the avoidance of doubt, any reference to QIC includes its agents, including the claims handling company.

What happened

Mr M had a QIC home insurance policy. In November 2021, he discovered damage following a storm. There were three areas of damage:

- Part of the felt flat roof had been torn off.
- Slate tiles had been blown off the pitched roof.
- Water had come through the roof causing damage to internal walls and ceilings.

Mr M's builder made some emergency repairs to the roof and estimated a full repair would cost £4,500. Mr M made a claim on his insurance.

QIC appointed a surveyor to inspect the damage. The surveyor's report said, in summary:

- No other flat roofs in the street were damaged.
- Photos taken before the temporary repairs showed holes in the decking boards.
- The front edges of the felt were cracked.
- He estimated the felt roof was 20-25 years old and "*had surpassed its life expectancy*".
- The damage to the felt roof was due to wear and tear.

Based on this report, QIC told Mr M the storm force winds "*merely highlighted the poor condition of the roof and they were not the direct cause of the damage.*" It declined his claim for damage to the felt roof and internal damage to walls and ceilings.

However, QIC accepted Mr M's claim for replacement tiles for the pitched roof. It offered him £1,459.57 in settlement, less the policy excess of £250. This sum included the cost of the builder's temporary repair, a dehumidifier, and a sum to reflect the increase to Mr M's electricity bill while the dehumidifier was running.

Mr M rejected QIC's offer and brought his complaint to this service. He believes QIC should settle his entire claim in full and reimburse him for additional costs he incurred.

Our investigator recommended that Mr M's complaint should be upheld. He didn't think QIC had shown that the damage wasn't covered by Mr M's policy, so he didn't think it was fair for QIC to decline the claim. He thought QIC should settle the claim in full and pay Mr M £300 to reflect QIC's delays handling his claim.

QIC disagreed with our investigator, so the case was passed to me to consider.

My provisional decision

I issued a provisional decision on this complaint on 27 July 2022. I said:

“Like most policies, Mr M’s cover only makes QIC liable for damage caused by certain insured events. The damage needs to be caused by one of the insured events listed in his policy. Section 1.3 of Mr M’s policy booklet shows he’s covered for loss or damage caused by a storm.

As our investigator explained, when we look at complaints about storm damage, we ask three questions:

- 1. Were there storm conditions on or around the date of the claim?*
- 2. Is the damage consistent with storm damage?*
- 3. Were the storm conditions the main cause of the damage?*

If the answer to any of these questions is “no” the claim won’t succeed.

So the first thing I’ve got to consider is: were there storm conditions on or around the date of the claim?

Mr M’s policy booklet defines a storm as, among other things, “a gale of Force 10 or above (as defined under the internationally recognised Beaufort Scale) reaching wind speeds of at least 55mph....” QIC accepts the weather conditions on 26 November 2021 met the policy definition.

I’ve checked this. Local weather records for the area show wind gusts of 74mph at a weather station seven miles from Mr M’s home. I’ve also checked the Met Office’s website and its information for the 2021/22 storm season. This shows that Storm Arwen hit the UK on 26 and 27 November. The storm “brought northerly winds gusting widely at over 60Kt (69mph)... [and] was one of the most powerful and damaging winter storms of the latest decade.” So I’m satisfied the weather conditions met the policy definition of a storm.

I’m also satisfied that the damage – felt torn from the flat roof, tiles torn from the pitched roof, internal water damage caused by rain coming through the damaged roof – is consistent with storm damage.

So the only question is whether the storm conditions were the main cause of the damage.

QIC says they weren’t, relying on its surveyor’s report and the exclusion in Mr M’s policy for “loss or damage as a result of gradual causes including wear and tear” (‘General exclusions’, page 15). Having reviewed all the evidence, I agree in part.

The surveyor’s report is brief but, crucially, is supported by his photos. These show what appears to be significant age-related deterioration of the flat roof. In my opinion, the photos support the surveyor’s view that the roof is in poor condition with a felt covering that has been deteriorating for some time. I’m conscious that the winds recorded close to Mr M’s home were extremely violent, however the kind of deterioration described by the surveyor isn’t consistent with damage caused by a one-off storm.

Mr M hasn’t provided any expert evidence that contradicts QIC’s surveyor. Instead, he said the hole in the decking board “was hidden under layers of nailed down felt” and there was no escape of water into the room below. I can understand why he thinks the storm caused the damage. I think many people would assume the same. However, I think the surveyor’s report and photos are more compelling – the roof was already in poor condition before the storm.

So I think QIC's decision to reject this part of Mr M's claim was reasonable.

The report doesn't comment on the pitched roof and broken tiles. The photos taken before Mr M's builder made the emergency repairs show significant damage and, in the absence of any expert evidence on this, I think it's reasonable to conclude that this was caused by the storm. I'm pleased QIC accepted this part of the claim.

QIC wouldn't pay for the internal water damage. It said this was pre-existing damage indicated by "heavy staining and strong discolouration", had previously been painted over, and the mould showed it was due to condensation rather than a leak. On QIC's last point, Mr M says the mould only developed in the month it took QIC to send its surveyor.

The surveyor's report makes no comment on the cause of the internal damage. It simply notes the staining as well as a crack in the wall in the rear bedroom which requires investigation. As I said, the photos show significant damage to the pitched roof. It also appears from the photos that at least some of the water damage is on the inside of this pitched roof. I don't agree that the photos show evidence that existing water damage had been painted over. And Mr M told us there wasn't any water damage beneath the flat roof. So I'm not persuaded that QIC's decision to reject Mr M's claim for water damage was fair.

On balance, I think it more likely than not that the water damage to Mr M's walls and ceilings was a direct result of the storm – not gradually over time – therefore should be covered by Mr M's policy. Apart from the large crack in the rear bedroom – which I think is unlikely to have been caused by the storm – I think QIC should pay for any redecoration to repair this damage. Mr M should provide QIC with invoices/receipts for any work already done, and quotes for work that remains outstanding.

In summary, I think:

- *QIC's decision to reject the claim relating to the flat roof was fair.*
- *Its decision to accept the claim for the broken tiles on the pitched roof was also fair.*
- *Its decision to reject the claim for the internal damage to the walls and ceiling wasn't fair. I think QIC should settle this part of the claim.*

Finally, our investigator thought QIC should pay Mr M compensation for the delay in sending its surveyor to inspect the damage and subsequent delay in deciding his claim. I agree with him. Mr M reported the damage on 27 November 2021. QIC didn't send its surveyor until 30 December and didn't tell Mr M its decision on his claim until 31 January 2022. Given the time of year and the amount of damage to the roof and inside of Mr M's home, I don't think the inspection and decision on Mr M's claim should have taken over two months.

Mr M took out a personal loan to pay for the roof repairs himself. He wants QIC to pay the loan fee and interest. I don't think that's reasonable. While I understand Mr M's anxiety to have the roof fixed and why he took out the loan to pay for the repairs, he told us that nearly 40% of the loan was to cover personal debt. And ultimately only about 15% of the loan was for repairs that I think QIC should cover. So I don't think it would be reasonable for me to ask QIC to cover the full loan fee or interest.

However, I think the delays in QIC dealing with Mr M's claim caused him some distress and inconvenience. I think QIC should pay Mr M £200 to reflect this."

Responses to my provisional decision

QIC accepted my provisional decision and had nothing to add.

Mr M didn't accept my provisional decision. He thought I'd made several errors in my findings and said, in summary:

- The entire felt roof was ripped off during the storm. He sent us a photo showing the felt in one piece after it landed in his front garden, before he cut it up for ease of disposal.
- Several houses in his street and neighbouring streets suffered structural damage.
- There was only one hole in the middle of the decking board and no water damage before the storm.
- QIC told him he couldn't use his own surveyor, so he couldn't provide his own expert advice.
- He bought his home 18 months before the storm. He'd had no problems with the flat roof since then and "*wasn't alerted to any damage or wear and tear to the felt*" when he bought the house.

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.

I've considered Mr M's comments. In answer to his points:

- The fact the whole felt roof was torn off doesn't change QIC's surveyor's assessment of the roof's condition before the storm.
- The surveyor's photos show pre-existing damage to both the felt and the decking boards.
- Felt roofs have a finite lifespan. QIC's surveyor believed the roof was 20-25 years old and already beyond its life expectancy. I don't think this was an unreasonable conclusion.
- I don't doubt that the storm caused damage to neighbouring houses. However, I'm here only to assess the damage to Mr M's house.
- Having said that, the surveyor's photos show flat roofs on neighbouring houses that weren't damaged by the storm.
- I think it's reasonable that QIC requires its own surveyor to assess the damage as part of handling any claim. However, Mr M has always been free to appoint his own expert to challenge QIC's findings.

As I said in my provisional decision, the surveyor's photos support his conclusion that the flat felt roof was old and deteriorating. I agree that the storm caused damage to the roof but don't agree that the storm conditions were the main cause of the damage (as required in the third test I set out above); instead, the storm highlighted underlying damage that was already there. That means I'm satisfied that QIC's decision to decline this part of the claim was fair.

Neither party has provided any comment or evidence on my other findings about the pitched roof, QIC's delays investigating Mr M's claim, or proposed redress. I see no reason to change my decision on these points.

My final decision

My final decision is that I uphold the complaint in part for the reasons set out in my provisional decision. I require QIC Europe Limited to:

- Settle Mr M's claim for the damaged roof tiles (and additional costs) in line with its 11

February 2022 offer.

- Settle Mr M's claim for the internal water damage to walls and ceilings caused by the storm.
- Pay Mr M £200 to reflect the inconvenience caused by delays investigating the claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 14 September 2022.

Simon Begley
Ombudsman