

The complaint

Mrs M complained that Admiral Insurance (Gibraltar) Limited (“Admiral”) unfairly declined her claim under her home insurance policy following damage to her roof in a storm.

What happened

Mrs M made a claim to Admiral following a storm. She said the storm damaged her roof which resulted in water leaking into the top room of the house. Mrs M said *“a roofer inspected the roof and advised that tiles had become displaced and the roof would need to be replaced. He adjusted some of the tiles to ensure no further loss or damage as per our obligations under the terms of our policy”*. At the request of Admiral, Mrs M submitted a quote from a roofer for the works to be carried out.

Admiral appointed a loss adjustor to review and validate the damage. Based upon the surveyor’s report Admiral decided to decline the claim. It said *“when the surveyor inspected the main roof he observed that the damage is as a result of a natural breakdown of materials, with its defects only highlighted by the bad weather. We therefore regret to advise you that there is no cover under your policy in respect of this claim”*. Admiral said the policy doesn’t cover damage from *“gradual causes”*.

Mrs M has tried to access the surveyor’s report and has asked questions to understand what Admiral mean by *“a natural breakdown of materials”*, but she didn’t get a satisfactory reply. Mrs M said *“our roof was not in a poor state of repair prior to the storm and we’ve not suffered previous tile displacement, damage or leaks due to bad weather prior to the storm. We’ve no history of flooding prior to this. The damage to our roof and leaking into the top room was a result of the storm which are events out of our control”*. Mrs M was also unhappy with Admiral’s inefficiency with dealing with the claim.

Our investigator decided not to uphold the complaint. She thought Admiral had provided evidence that supported there had been gradual damage to the roof, which was an exclusion in the policy. So, she thought Admiral had been fair to decline the claim. However, she didn’t think Admiral had handled the complaint efficiently, so she awarded £75 compensation for the distress and inconvenience caused. Mrs M disagreed with our investigator, so the case has been referred to 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.

I have started by considering whether I think Admiral were reasonable in declining the claim. When our service looks at a storm claim, there are three questions to consider:

1. Do I agree that storm conditions occurred on or around the date the damage is said to have happened?
2. Was the damage claimed for consistent with damage a storm typically causes?
3. Were the storm conditions the main cause of the damage?

I will use this structure to work through the complaint. I'm likely to uphold the complaint if the answer to all three is 'yes'. If the answer to one of the questions is 'no', I'm unlikely to uphold the complaint.

Do I agree that storm conditions occurred?

Admiral has acknowledged that the weather at the time – winds of 66mph – did constitute storm conditions, so I don't need to consider this point any further. I'll consider the next question.

Was the damage claimed for consistent with damage a storm typically causes?

Significant winds could result in tiles been blown from a roof or causing them to become dislodged. Therefore, as the damage observed was like this, I do think the damage claimed for is consistent with damage a storm typically causes. Therefore, I will consider the next question.

Were the storm conditions the main cause of the damage?

I have considered what Admiral said when it declined the claim. It said the wind had highlighted a pre-existing issue on the roof. I have checked the terms and conditions of the policy and it shows that gradual causes are excluded from the policy, which includes: *"any loss or damage caused by anything that happens gradually, including wear and tear, wet and dry rot, or damage due to exposure to sunlight or atmospheric conditions, settlement, mildew, rust or corrosion"*.

It's Admiral's obligation to prove the exclusion clause applied specifically in this case and I can see it has used the surveyor's report along with a review of photographs to come to its conclusion. I think this is a reasonable approach. The surveyor thought the roof hadn't been replaced for a long time and he couldn't see any evidence of any recent maintenance to the roof. He said *"the nails have fatigued causing the wind to highlight the issue when they have blown out. If the wind had damaged a relatively new roof the slates would have snapped and not have blown out"*.

Admiral's in-house team confirmed *"on a relatively new roof the slates would have snapped and not have blown out this is due to the fixing of the nails being newer, they would have less weather erosion and potential wear compared to an older fixing"*. I appreciate Mrs M felt that Admiral's reason for declining the claim had changed. However, I think it has reasonably explained how the two explanations are in fact linked, I just think it could've explained this better to Mrs M to avoid any unnecessary confusion.

I can only make decisions based upon the evidence that is provided to me. Admiral have had a report produced by an expert which has led to them declining the claim. I think the conclusions it has made seem fair. The photographs provided don't appear to contradict what Admiral has said, so I think it has taken a reasonable approach.

I can see Mrs M had a quote to have a new roof – but I haven't seen any expert reports / formal statements (e.g. from roofers) that show the storm was the main cause of the damage. I have also noted Mrs M's house is one of several similar houses in the road, but I haven't seen evidence the same storm caused similar damage to other houses.

I think Admiral has been fair in declining the claim. Its opinion is based on an expert report and I haven't seen any evidence to contradict this.

Whilst I can understand why Mrs M thought the claim was excessively delayed, I'm not

convinced all these delays were avoidable. It took two months for Admiral to contact Mrs M to arrange the survey – however, some of this time was used in waiting for Mrs M to send photographs of the damage and a quote to have the work done. This is a normal part of any storm claim validation. Whilst, I know this was frustrating for Mrs M, I don't think its fair to say this was Admiral's fault.

However, I do think Admiral could've managed the communication better when it informed Mrs M that the claim would be declined. I don't think it was easy for Mrs M to understand the reasoning for this. Admiral has now clarified this, but I think the initial confusion has caused some distress whilst Mrs M sought a proper explanation and it delayed her been able to instruct her own contractors to carry out the repairs to the damage caused. Therefore, I award £75 compensation for the distress and inconvenience caused.

My final decision

My final decision is I uphold this complaint. I require Admiral Insurance (Gibraltar) Limited to:

- Pay £75 compensation – for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 5 January 2023.

Pete Averill
Ombudsman