

The complaint

Mr M complains Accelerant Insurance Limited unfairly declined a claim he made on his landlord insurance policy.

What happened

Mr M owns two adjoining properties that were insured with Accelerant. In November 2021, a section of the render came down from the two properties in high winds, so Mr M made a claim.

Accelerant appointed a loss adjuster, who visited the two properties. Accelerant went on to decline the claim. Accelerant said there was no evidence of storm damage and the render had de-bonded from the front elevation following years of frost and freeze/thaw action. Accelerant said it was clear the adverse weather conditions had simply highlighted a pre-existing issue with the render.

Mr M challenged Accelerant's claim decision, but Accelerant maintained its position. Mr M appointed a loss assessor, who made a complaint on his behalf. The loss assessor made the following points:

- No evidence has been provided to support Accelerant's position the storm conditions wouldn't cause the damage claimed, and the damage is due to frost action over a pronounced period of time.
- The render coat has been on the properties for 25 years and showed no signs of damage. It has a water-proofer mixed in, so frost shouldn't affect it.
- There are no historic cracks in the remaining render, and there was no evidence of historic cracks to the render that was pulled away in the storm.
- The damage is consistent with a storm. High winds can press against the elevation of a property and create substantial suction – causing render to be distressed and break away. The damage occurred during the worst storm in 30 years.
- Mr M knows of another property which suffered similar damage during the same storm, and the owner's claim has been settled.

Accelerant responded to Mr M's complaint with the following further points:

- The loss adjuster observed historic cracking to the render. The damage is excluded under the 'storm' and 'accidental damage' coverages.
- The life expectancy of well-maintained render is approximately 20+ years, and after this time it's regarded as beyond its serviceable life. Meaning that inevitable failure and deterioration requires the render to be replaced as part of the maintenance regime.

- Well-maintained render, not beyond its serviceable life, shouldn't lose its key or bond to the wall during the wind conditions encountered (53mph). The design of render is such that it provides resistance to driving rain and wind. Given the wind speeds, the suction forces wouldn't have been sufficient to have caused the claimed damage if the render was well-maintained and within its serviceable life.
- The photos provided by Mr M show pre-existing cracking and previous patch repairs, indicating the failure of the render. Accelerant pointed towards the areas it was referring to.

Mr M referred his complaint to our service, but one of our investigators didn't think it should be upheld. Mr M and his loss assessor disagreed, so Mr M's complaint has been passed to me to decide.

The loss assessor made the following further points:

- Accelerant claims the life of a pebbledash render is 20 years, but many properties he has worked on have renders that are still in good condition after 40 years.
- Accelerant hasn't provided any evidence that the life expectancy of well-maintained render is approximately 20+ years, or that after this time it's regarded as beyond its serviceable life. He pointed towards several articles to support the design life of pebble dash is at least 70 years.
- He didn't think the loss adjuster who attended was a qualified building surveyor.

I issued a provisional decision, explaining I intended to uphold the complaint. In my provisional decision, I said:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint."

Where evidence is inconclusive, incomplete, or contradictory, I've reached my decision on the balance of probabilities. This means I've determined what I consider is more likely to have happened, based on all the evidence that is available and the wider surrounding circumstances.

There are three conditions that need to be met before this service would say a claim for storm damage should succeed. Those are:

- *was there a storm?*
- *is the damage typical of that caused by a storm?*
- *were the storm conditions the main cause of the damage?*

I have re-assessed Mr M's complaint and all the evidence with these three questions in mind.

It's not disputed there were storm force winds. Accelerant says 53mph winds were recorded at a weather station 15 miles from the properties. However, the data available to our service shows 61mph winds were recorded the day before the incident and 63mph winds on the morning of the incident, at a weather station 6 miles away.

It follows that I consider the closer weather station to be more reliable for determining the weather conditions before the render fell. Such winds can cause considerable structural damage, so I'm satisfied the first two conditions have been met.

So, the outcome of this complaint depends on whether I'm persuaded the storm conditions were the main cause of the damage.

There's no dispute there was a storm. So, it's for Accelerant to show, on balance, the storm wasn't the main cause of the damage. I accept it's unusual for render to fall from a property in high winds. But that in itself doesn't persuade me there was a pre-existing issue, or that the storm wasn't the main cause of the damage in this case.

The loss adjuster didn't take any close-up photos of the properties (or at least, none were included in her report), and there isn't anything in her report to support her conclusion the damage was caused by years of frost and freeze/thaw action.

Accelerant has relied on photos provided by Mr M, that were taken after the incident. Those aren't close-up photos either. As noted by Accelerant in its internal correspondence, Mr M's photos aren't particularly clear. But even if I were to accept the photos evidence some pre-existing damage, that damage isn't in the area where the render fell. Furthermore, the photos don't show the properties were in a poor state of repair.

I've reviewed 'street view' images from a well-known website, taken in 2014. Those images appear to show the same pre-existing damage and repairs highlighted by Accelerant. But notably, I can't see signs of such damage or repairs in the area where the render fell.

I accept the street view images and Mr M's post incident photos appear to show a failure line in the render above the left-hand corner of the right-hand property's front door. However, no render fell in that area. In Accelerant's internal correspondence it also says the street view images show the same failure line above the left-hand corner of the left-hand property's front door, which is where the render fell. However, I can't see a failure line in that area. I can simply see pebble dash markings.

Mr M has also provided a photo he took three years before the incident, when he had a new front door fitted. This photo is the clearest image I've seen. Again, I can't see signs of damage or repairs in the area where the render fell.

Ultimately, Accelerant points towards a failure line and patch repairs in Mr M's post-incident photos. But if that failure line or the previously repaired issues had been the main cause of the render falling, I would reasonably expect the render to have fallen in those areas too. Importantly, in Mr M's pre-incident photo and the street-view images, I haven't seen any signs of pre-existing damage in the area where the render did fall.

So, having considered the available information, on balance, I'm persuaded the main cause of the render falling was the storm force winds. I don't consider Accelerant has shown the claim was fairly declined. To put matters right, I intend to decide Accelerant should now settle the claim.

I understand the repairs haven't yet been undertaken, and Mr M will likely need to obtain an updated quote. If so, Accelerant will need to consider Mr M's updated quote, and/or offer to complete the repairs via one of its own contractors. If there's later a dispute about the settlement amount or method, a further complaint can be made.

However, if Mr M has already undertaken the repairs, I intend to decide Accelerant should settle the claim for the invoice amount, plus add 8% simple interest per annum, from the date the invoice was paid to the date of settlement. This is subject to Mr M providing the invoice and it being in-line with the quote he previously obtained for £3,680. Mr M would need to provide the invoice when responding to my provisional decision.

I also intend to award Mr M £200 compensation for the upset and inconvenience caused by Accelerant's unfair claim decision."

Both parties accepted my provisional decision.

Mr M also explained that whilst the scaffolding has been erected, the repairs can't progress at this time due to the weather. He noted the final costs for the repairs are expected to be around £3,700.

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.

No further arguments have been presented. Having reconsidered the information previously provided, for the reasons I explained in my provisional decision, I remain persuaded the storm was the main cause of the damage.

However, the repairs haven't been completed yet, and nor has a final cost been confirmed. As such, I can't make a monetary award for the repairs. But rather, Accelerant will need to consider the invoice once presented, bearing in mind what I've said here.

Given the claim was declined, it was reasonable for Mr M to have initiated the repairs based on the estimates he received. As noted in my provisional decision, if the invoice is in-line with the £3,680 quote, I find that to be reasonable.

Ultimately, if there's a dispute about the settlement amount, Mr M can refer a new complaint to our service.

My final decision

For the reasons I've set out above, and in my provisional decision, I uphold this complaint. My final decision is Accelerant Insurance Limited should:

- accept Mr M's claim, and once presented, consider his invoice for the repairs; and
- pay Mr M £200 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 19 January 2023.

Vince Martin
Ombudsman