

The complaint

Miss T complains that QIC Europe Ltd has turned down a claim for storm damage she made on a home insurance policy.

What happened

The background to this complaint is well-known to both parties, so I've simply set out a summary of what I think are the key events.

In February 2022, Miss T's gable wall was damaged during a well-publicised storm. She made a claim on her home insurance policy for the costs of getting the damage repaired.

QIC's surveyor attended Miss T's home and their report was subsequently reviewed by QIC's in-house surveying team. QIC concluded that whilst there had been prevailing storm conditions, the damage was caused by gradually operating causes and poor workmanship. Both of these causes were specifically excluded by the policy terms, so QIC turned down Miss T's gable wall damage claim. It did agree to consider a claim for glass damage under the accidental damage cover.

Miss T was unhappy with QIC's decision and she appointed her own surveyor to assess the gable damage. Miss T's surveyor concluded that the damage was caused as a direct result of the storm conditions. Miss T asked us to look into her complaint.

Our investigator thought Miss T's complaint should be upheld. He considered the evidence provided both by QIC's surveyors and by Miss T's surveyor. Overall, he found Miss T's surveyor's evidence to be more persuasive and so he was satisfied that the damage was down to the prevailing hurricane-force winds at the time. He recommended that QIC should pay Miss T's claim, together with interest.

QIC disagreed and I've summarised its responses. It maintained that Google street view images showed Miss T's roof had latent defects prior to the storm. It considered the street view image clearly showed lateral movement on the gable end of her home. It said the 'under cloak' on top of the gable end brickwork had moved and pulled the roof tiles with it. QIC felt this was most likely due to a failure of mortar around the wall ties. It also considered the images suggested that the mortar/bed fixing was already compromised and had deteriorated to the point it had lost its grip on the tiles. It didn't think wind speeds of around 70mph would've caused the damage had the mortar around the wall ties not been compromised.

The complaint's been passed to me to decide.

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.

Having done so, I don't think it was fair for QIC to turn down Miss T's claim and I'll explain

why.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. So I've considered, amongst other things, the terms of Miss T's policy and the available, specialist evidence, to decide whether QIC handled Miss T's claim fairly.

When we look at complaints about storm damage, there are three questions that we need to ask:

- Were there storm conditions on or around the date of the claim?
- Is the damage consistent with storm damage?
- Were the storm conditions the main cause of the damage?

If the answer to any of these questions is 'no', then the claim won't succeed.

Were there storm conditions on or around the date of the claim?

The contract terms say that QIC will cover loss or damage caused by storm force winds of Force 10 or above. These are generally wind speeds of above 55mph. Local weather reports from around the date of damage to Miss T's property show wind speeds of around 72-73mph. Winds of 72mph are considered a violent storm and winds of over 73mph are considered to be a hurricane. As such, I'm satisfied there were storm conditions on or around the date of claim.

Is the damage consistent with storm damage?

Storm-force winds can cause wall and brickwork damage and so I'm persuaded that the damage to Miss T's property is consistent with storm.

Were the storm conditions the main cause of the damage?

The terms of Miss T's policy specifically exclude both damage that is caused gradually and damage which is down to poor workmanship. Based on QIC's surveyors' evidence, it concluded that the main cause of damage to Miss T's property most likely took place gradually and that it was also due to poor workmanship. On the other hand, Miss T's surveyor concluded that the storm was the main cause of the damage. As I'm not a buildings expert, I've carefully weighed-up the specialist reports which have been provided to me by both parties to decide which I think is the most persuasive.

I've first considered QIC's site visit report, which was carried out in early March 2022. The surveyor concluded:

'Following our recent site visit we are unfortunately unable to validate your recent claim for storm damage to your property. The weather has merely highlighted a pre existing lateral restraint issue as highlighted back as far as 2009. (image attached for reference) This is a common defect of properties of this type and age...

The recent weather has merely highlighted the existing defect being the occasion rather than the cause of the damage.'

QIC's in-house surveyor considered photos of Miss T's property and the site visit report. They agreed with the initial conclusion and stated that the *'gable damage was caused by a lateral restraint defect at the gable wall...The existing repair, using a helibeam tie, to tie the outer skin of cavity brickwork to the inner has failed...This is a gradual cause.'*

The surveyor also concluded that damage to Miss T's party wall and fence posts shouldn't be covered, as *'the fence posts are fixed into the retaining wall and are acting as a sail allowing the wind force to apply to the wall. This is a latent defect/poor design.'*

Miss T's surveyor visited the property around three months after the storm happened. However, the damage hadn't been repaired at this point. I've set out below what I consider to be the surveyor's key findings:

'It is understood that the insurance company have made an initial assessment of the damage suggesting there was a pre-existing lateral restraint issue and have therefore rejected the claim. This assessment appears to be based upon a review of photos from Google Street View. In addition, they have provided reference to the LABC providing guidance for Cavity separating walls and gable walls: the use of lateral restraint. This relates to current regulations and requirements which would apply to new build properties.'

From our recent inspection of the property and from reviewing the images available on Google Street View, we could not identify any issues with lateral restraint as suggested by the insurers. From the photo image available on Google, it shows slight opening of the roof tile joints directly above the side gable to the verge. This, in our opinion, is due to minor deflection in the timber rafters, which is common in properties of this age. The roof tiles above the cavity gable are better supported and also, being the verge are further secured by sand/cement mortar joints. The minor opening of the tile joints is where the adjacent structure has deflected slightly, which will often occur over the life of the roof. The roof tiles appear to be original, and this would confirm the minor deflection is due to general natural deflection of the timbers rather than from additional weight where the covering has been changed.

In addition, we were able to check the remaining inner skin of brickwork to the side gable, which was found to be upright and showing no signs of outward movement normally expected where issues with lateral restraint exist. The lower section of remaining brick gable was also generally vertical.

The remaining sections of roof tiles to the verge were found to be secure with the cement verge mortar in place. This would also suggest that the sections of verge, now missing, would also have been secured prior to the recent storm.

From our inspection the property was found to be well maintained. The roof was not in our opinion in disrepair. The minor issues indicated to the roof are not considered to be associated with lateral restraint and although there had been minor separation of some of the tile joints the roof is not considered to be in disrepair. From the remaining sections of roof verge, the tiles to this area were secure and not showing signs of previous movement. The open tile joints are likely to have existed for many years, likely to date back prior to the current ownership. We understand the property had been surveyed prior to purchase and no issues were highlighted with the roof. This is not uncommon in properties of this age and type of construction and did not, in our opinion warrant any urgent repairs or attention.

It is our opinion that the recent damage occurred as a direct result of (the storm). The property and roof are not believed to have been in disrepair and therefore, we

cannot see any reason why this would not be covered by a normal Buildings insurance policy.'

QIC has had an opportunity to review this report and disagreed with Miss T's surveyor's findings. Its in-house surveying team added the following:

‘Google street view and confirmation from the Policyholders employed surveyor, established that there has been deflection of the roof tiles along the verge– this has resulted in gaps in the tiles. Gaps in the tiles of the roof are a known defect. This type of defect, left untreated, exposes the roof to be damaged by winds. Winds can get underneath the tiles and lift them. Driving rain would have the capability of penetrating the gaps in the tiles and has the potential to weaken the roof structure further.

Due to the location of the tiles, it has exposed the gable end wall which has then resulted in the top section of the gable wall to collapse as the gable end wall would no longer be stable.’

It’s clear that there are two widely differing views as to the main cause of the damage to Miss T’s property. I’m mindful that QIC’s surveyor attended the property two months prior to Miss T’s surveyor and therefore had an opportunity to see the property closer to the storm itself.

However, on balance, I find I am more persuaded by Miss T’s surveyor’s evidence. QIC’s site visit report is extremely brief and doesn’t explain why the surveyor concluded that the damage was down to lateral restraint defects. It appears to me that QIC’s conclusion on this point was based more on Google street view images, rather than information given in the site inspection report itself.

Miss T’s surveyor’s report is clear and detailed. It appears that they undertook an inspection of the property and made a finding that the damage wasn’t due to lateral restraint defects. While they noted that there were some ‘deflection’ issues with the tiles, they also found that the tiles were secured with cement and mortar. They have set out that they believed the missing tiles would also have been similarly secured. This would tend to support a conclusion that there were no clear issues or defects with the mortar. They also reached no finding that the gable wall damage was caused by issues with the wall-ties, or by the fence acting as a sail.

I’ve borne in mind that hurricane force winds are capable of causing severe structural damage. Miss T’s surveyor noted that *‘the affected gable faces south-west which faces the main prevailing weather and also faced the main direction of the recent storm.’* So it appears that Miss T’s gable would’ve been facing the storm. Taking into account Miss T’s surveyor’s report; the photos I’ve reviewed and the position of Miss T’s gable in relation to the storm winds, I’m persuaded it’s more likely than not that the damage to Miss T’s property was caused by storm. While I have carefully considered QIC’s evidence, overall, on balance, I find Miss T’s surveyor’s conclusion that the main cause of the damage was storm more persuasive. And that means that I think it was unfair for QIC to turn down Miss T’s claim.

Miss T has since had the damage repaired. She’s provided us with a receipt showing that the works were paid for on 28 December 2022 at a cost of £1650. So I now find the fair and reasonable outcome to this complaint would be for QIC to settle Miss T’s claim, in line with the remaining terms and conditions of the policy, together with interest at an annual rate of 8% simple, from the date Miss T paid for the repairs until the date of settlement.

My final decision

For the reasons I’ve given above, my final decision is that I uphold this complaint.

I direct QIC Europe Ltd to pay Miss T’s claim, in line with the policy terms and conditions. It must also add interest to the settlement, at an annual rate of 8% simple, from the date Miss T paid for the repairs until the date of settlement.

If QIC considers that it’s required by HM Revenue & Customs to take off income tax from

that interest it should tell Miss T how much it has taken off. It should also give Miss T a certificate showing this if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 21 June 2023.

Lisa Barham
Ombudsman