

## **The complaint**

Mr H complains about QIC Europe Ltd (“QIC”) for its decision to decline his buildings claim for damage caused during a storm. He wants QIC to settle his claim.

## **What happened**

Mr H lives in a rural area and has a home with land attached and a number of outbuildings. He insured his home and land with QIC.

In late November 2021, Storm Arwen hit in the area of Mr H’s home, causing substantial damage and uprooting a number of trees. Fallen trees damaged Mr H’s fencing, and blocked access to one of his outbuildings. His home lost electricity for a period and food kept in his freezers perished.

Mr H submitted claims to QIC. These included a buildings claim that a dry-stone wall had collapsed, ridge tiles and slate tiles from the roof had been displaced or lost, he had lost access to the outbuilding due to a fallen tree and his fences were damaged.

QIC appointed an agent to assess Mr H’s claim.

QIC sent a field assessor to Mr H’s home, in February 2022. The field assessor considered that the dry-stone wall and sandstone roof ridging were not covered as he thought they were decayed over time. He considered that the fence and slate tiles were covered as damaged by storm, and that a scaffolding tower would be required to carry out repairs. He also considered that the policy would cover removal of the tree that was blocking access to an outbuilding.

The field assessor then provided his report to QIC.

Mr H contacted QIC to chase progress and enquired about the breakdown of costs that would be covered. He was concerned that the settlement discussed appeared to be based on standard building materials rather than the specialist or reclaimed materials which would be needed for the repairs.

QIC subsequently carried out a desk assessment of the photographs and decided to decline all parts of the buildings claim, and to settle only the contents claim for lost freezer food, up to a cost of £250.

QIC argued that its desk-based assessor considered that the slate roof tiles were not covered as they thought that they were lost due to wear and tear, and that the fence was not covered because fencing was excluded in the policy booklet.

Mr H complained.

QIC sent its final response to his complaint in May 2022. It stood by the assessment of the desk-based surveyor and maintained its decision to decline all of the buildings claim and to settle only the freezer food contents claim. QIC acknowledged that Mr H had been told that more of his claims would be covered and offered to waive the £200 policy excess in relation

to the freezer food to reflect this. QIC offered Mr H £250 in total settlement.

Mr H was not happy with this and contacted us.

Our investigator did not initially uphold Mr H's complaint, but after further evidence was provided by Mr H, considered that the evidence supported that the roof ridge and slate tiles were damaged by the storm and ought to be reassessed. Our investigator also considered that the fence ought to be covered and that QIC should pay to Mr H £200 compensation in addition to waiving the excess on the freezer food.

QIC did not accept this view.

I issued a provisional decision in respect of this complaint in December 2022. In that provisional decision, I set out that I considered that QIC should now settle the claim for slate roof tiles and the damaged fencing, in addition to the lost freezer food. I did not consider that QIC had unreasonably declined the roof ridging tiles or the dry-stone wall and I thought that QIC should consider any evidence that Mr H provided in respect of the outbuilding and tree removal, and reach a view on that part of the claim. I also thought that QIC should pay £500 compensation to Mr H for the delays and for unfairly declining his claim.

That provisional decision has been shared with the parties and they have been invited to comment further.

QIC has not responded to the provisional decision.

Mr H has provided us with evidence relating to the outbuilding, appearing to show that it was damaged by a tree falling onto it. He has asked some questions of clarification and has made submissions about the roof ridging tiles, providing an explanation for why they may appear to be aged. He disputes that the tile came off due to the mortar corroding and says that the photographs show that a ridge tile was broken in half by the storm conditions.

### **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 considered the additional information from Mr H and I have reviewed my provisional decision in light of it.

I remain satisfied that the fencing and slate roof tiles ought to be included and that QIC should settle these parts of the claim immediately. These elements of the claim are clear and should not be held up by further assessment.

As previously set out, Mr H's cover is on an indemnity basis so QIC should ensure that it either carries out the repairs to the fencing and roof slates itself, with appropriate materials, or it cash settles on a basis which allows Mr H to source repairs with appropriate materials through the market.

Mr H also advises that the contents claim for freezer food has not yet been paid. This must also happen now.

QIC should add interest at a rate of 8% per annum to those parts of the claim, and to any reimbursement of costs incurred by Mr H within these parts of the claim.

In relation to the outbuilding and tree removal, Mr H has provided photographs which appear

to show a tree on top of the outbuilding roof.

As we have previously explained, we are not able to decide the claim itself, and we only review whether the business has made a reasonable decision in respect of the claim. Here, QIC has not carried out a proper assessment of the outbuilding and has not made a reasoned decision on whether the building or tree removal were covered by the policy. This was in part due to an understanding that Mr H did not wish QIC to inspect the property and to look at the outbuilding.

Mr H has explained that he does not refuse access for QIC to carry out a further assessment of the outbuilding. I understand there was a breakdown in confidence between QIC and Mr H and Mr H was concerned that a further inspection should not be used to delay the remainder of the claim. I understand his concern, but QIC must be able to inspect the damage in order to make its decision.

QIC may therefore give Mr H notice if it wishes to reassess the outbuilding and QIC must then decide this part of Mr H's claim and issue a final response in respect of that part of the claim.

In respect of the roof ridging tiles, in my provisional decision I indicated that I did not consider that QIC was unreasonable to conclude that the roof ridge tiles were not covered, and that the damage to them was mainly caused by wear and tear.

I appreciate the information Mr H has sent in, but I do not consider that I am able to form a view on what mainly caused the damage to the roof ridge tile based on the current evidence. Both sides have expressed views, but these are not sufficiently supported by clear expert evidence for me to determine the main cause of the damage.

We are not able to decide the claim for the roof ridging tiles, but I accept that the conclusions QIC has reached in respect of the roof ridging tiles were not informed by Mr H's evidence and arguments, and that QIC does not appear to have a detailed expert view supporting its conclusion on the roof ridging tiles.

I therefore think that QIC should also reassess the claim for roof ridging tiles, in light of the evidence provided by Mr H (and any expert view he wishes to now obtain). Mr H should provide his evidence to QIC, and QIC should make a final decision on cover about the roof ridging tiles based on its own evidence and any evidence submitted by Mr H. If QIC wishes to send a further surveyor to inspect the roof then it may do so, and Mr H should not refuse reasonable requests for access.

For the avoidance of doubt, QIC may still accept or decline cover for both the roof ridge tiles and the outbuilding and tree removal, but this should be set out in a new decision with its reasons. If Mr H remains unhappy with those decisions on cover, or if he believes that QIC has not addressed his evidence, then QIC must issue a final response and Mr H would be able to refer a complaint back to us.

Finally, I remain of the view that the way that this claim was handled, including the changes in outcome and the delay, have caused Mr H substantial distress and inconvenience. I think that £500 compensation remains appropriate to reflect this.

### **My final decision**

For the reasons given above, and in my provisional decision, I uphold Mr H's complaint and direct QIC Europe Ltd to:

- Pay to Mr H the settlement for his freezer contents, and to waive the excess for that claim;
- Settle Mr H's buildings claims for the slate roof tiles and the fencing, in line with the policy and indemnity principles;
- Add to any payment to Mr H which reflects reimbursement of expenditure interest at the rate of 8% per annum from the date of payment up until settlement;
- To inspect the outbuilding and roof ridge tiles at Mr H's property, and consider any evidence submitted by Mr H within 28 days of that reinspection, and make reasoned decisions in respect of policy cover for these parts of his claim; and
- To pay to Mr H £500 compensation for his distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 6 February 2023.

Laura Garvin-Smith

**Ombudsman**