

The complaint

Ms N complains about QIC Europe Ltd (QIC) declining a claim under her home insurance policy for damage to her property caused by bad weather.

QIC use agents to administer the policy and to assess claims. Reference to QIC includes these agents.

What happened

In February 2022, at the time of Storm Eunice, Ms N's property suffered roof damage, with tiles being blown off. One of the tiles landed on a neighbour's property (damaging a wing mirror of a car). Ms N contacted QIC to tell them about the damage and lodge a claim.

On the damage to the neighbour's car, Ms N says she was told by QIC to tell the neighbour to make a claim on their car insurance policy, which QIC would then reimburse. However, when the neighbour contacted their insurer, they were told making a claim would increase their premium significantly. So, the neighbour didn't pursue a claim. Ms N agreed with the neighbour she'd pay to replace the wing mirror (£229).

On the damage to her roof, QIC arranged for a surveyor (E) to visit the property and assess the damage, which they did at the beginning of April. E's report stated the roof was in a generally degraded condition, with past repairs including lead tabs, indicating fatigue to slate fixings. The report also noted Ms N had repairs carried out to the roof after she moved to the property in 2021. The report concluded the proximate cause of the damage to be the age-related degraded condition of the roof. Based on E's report, QIC declined Ms N's claim on the grounds that the damage was due to pre-existing issues with the roof. So, the damage was the result of gradual deterioration, rather than high winds.

Ms N challenged the decline. The claim was reviewed by QIC's in-house surveyor, who agreed with E's conclusions and decline of the claim. They noted evidence of lead straps (tingles) which hold previously slipped tiles in place. They said this highlighted the degraded condition of the roof.

As QIC declined her claim, Ms N subsequently engaged a local roofer to replace the missing tiles, at a cost of £200.

Unhappy at the decline of her claim, Ms N complained to QIC, but they didn't uphold it, confirming in their final response the decision to decline the claim. While they accepted there were storm conditions at the time of the incident, based on their surveyor's report findings and conclusions about the degraded condition of the roof and this being the proximate cause of the damage, they said the storm highlighted pre-existing wear and tear issues. QIC also said their in-house surveyor had reviewed the case and agreed with the decision to decline the claim. QIC referred to an exclusion under the policy for gradual deterioration.

Ms N then complained to this service. She didn't think QIC had fairly declined her claim as she hadn't had any issues with her roof since she moved to the property in 2021. She said she was out of pocket by £429 (£229 to repair the damaged wing mirror and £200 for

replacement of the missing tiles) and had been inconvenienced. She wanted QIC to cover the costs and pay compensation for the inconvenience she'd suffered.

Our investigator upheld the complaint, concluding QIC needed to do more to put things right. She concluded there were storm conditions at the time of the incident and the damage was typical of a storm (specifically, high winds). She noted the findings of E, but also evidence provided by Ms N of a survey she'd had carried out in 2020 when she was in the process of buying the property. The survey recommended maintenance work on the roof, some of which Ms N had carried out. The investigator thought this consistent with E's observations about past repairs to the roof. However, she didn't think evidence of past repairs meant the roof was degraded, rather it indicated steps taken to maintain it. While photographs taken by E showed some mortar gaps on ridge tiles, the tiles were still in place (they weren't damaged by the storm). And earlier images of the roof didn't show evidence of cracked or loose tiles.

Taking these points together with the severity of the winds on the date of the incident, she concluded the storm conditions were the main cause of the damage, and QIC hadn't done enough to show they'd applied fairly the exclusion for gradual deterioration. So, they hadn't acted fairly in declining the claim. To put things right, she thought QIC should reimburse Ms N for the repairs to her roof and pay £150 in compensation for inconvenience she'd suffered. On the damage to the neighbour's car, she thought the right way to deal with this would have been for the neighbour to raise a claim on their insurance. So, she didn't think QIC should reimburse Ms N for her paying for the damage.

QIC disagreed with the investigator's conclusions and requested an ombudsman review the complaint. They maintained the storm was the occasion of the damage, not its cause. They also referred to the photographs they'd provided showing areas of missing mortar (and the views of E and their in-house surveyor) about the degraded condition of the roof. They also thought previous repairs were indicative of the overall condition of the roof. They thought Ms N's survey highlighted issues with the roof and the need for work on the roof. While they accepted Ms N dealt with some of the issues, they thought this wouldn't improve all areas of the roof as a whole and only address specific issues in particular areas.

Ms N responded to our investigator's view to emphasise the severity of the storm conditions at the time of the incident, referring to local reports and other coverage of the storm.

In my findings, I concluded that carrying out repairs was what to expect a consumer to do to maintain the condition of their property. I also didn't agree that the presence of repairs indicated issues with the roof or that it was in a degraded condition. I also noted the work carried out to address the issue of the tiles identified in Ms N's surveyor report.

I also considered the issue of the mortar under the ridge tiles. While there was an issue with the condition of the mortar, I didn't think it relevant to the dislodged tiles. That's because the ridge tiles were intact and weren't damaged in the storm. Ms N's claim only included dislodged roof tiles, so the missing mortar had no bearing on the dislodged tiles.

I also considered the severity of the storm conditions on the date of the incident. QIC's weather report indicated a maximum wind speed (gust) of 76 mph and described the wind as "“violent storm force gusts...”. The wind speed was significantly higher than QIC's own policy definition of storm force winds (55 mph). A wind speed of 76 mph would (on the Beaufort Scale) be classified as 'Hurricane' level under the World Meteorological Organisation classifications. At this level, expected damage would include tiles being displaced (if not greater damage) which is consistent with what happened in this case.

Taken together, I concluded the damage to the roof (dislodged tiles) wasn't due to the condition of the roof. QIC hadn't shown this, or that it was fair to apply the exclusion to decline the claim for damage to the roof.

On the damage to the neighbour's car from a dislodged tile, I concluded that in telling Ms N to ask the neighbour to make a claim on their insurance, QIC had followed normal practice in such cases. So, I didn't think they'd acted unreasonably. As Ms N came to a private arrangement with her neighbour, which didn't involve QIC, it wouldn't be reasonable to ask QIC to reimburse Ms N for the payment she made.

I also considered the question of compensation for the inconvenience Ms N suffered from what happened. Considering all the circumstances of the case, I thought £150 would be fair and reasonable.

To put things right, as Ms N had already paid for the roof repair work to be carried out, I thought QIC should settle the claim in line with the remaining terms and conditions of the policy (including any excess under the policy, as appropriate) based on Ms N providing evidence of the cost she'd incurred. In addition, on the assumption Ms N has paid the cost, I thought it reasonable to add interest, at a rate of 8% simple, from the date Ms N paid the cost to the date QIC settle the claim.

Because I reached my conclusions on some additional grounds to those of our investigator, I issued a provisional decision to give both parties the opportunity to consider matters further. This is set out below.

What I've provisionally decided – and why

My role here is to decide whether QIC has acted fairly towards Ms N.

The main part of Ms N's complaint is that QIC unfairly declined her claim, on the grounds that while there were storm conditions at the time of the incident, they weren't the main cause of the damage. Rather, it was due to pre-existing issues with the condition of the roof, which the high winds only highlighted. Ms N doesn't agree, saying the damage was caused by the storm and there weren't any problems with the roof before the storm.

In considering whether the damage resulted from a storm or from a pre-existing issue, there are three key issues we consider:

- Do we agree that storm conditions occurred on or around the date the damage is said to have happened?*
- Is the damage claimed for consistent with damage that a storm typically causes?*
- Were the storm conditions the main (or dominant) cause of the damage?*

On the first question, in their final response QIC accept there were storm conditions around Ms N's property at the time of the incident, noting a highest wind speed of 76 mph. This accords with the weather report provided by QIC, which describes the wind as "violent storm force gusts around 12:00". Reports from the weather firm this service uses also indicate the same wind speed and 'dry storm' conditions at the time of the incident. So, I've concluded there were storm conditions present around the date of the incident.

On the second question, the description of the damage (dislodged tiles and damage to the neighbour's car from a dislodged tile) is what we'd expect in storm conditions, particularly high winds. So, I've concluded the damage is consistent with that a storm typically causes.

The third question is therefore key, where Ms N and QIC disagree. I've considered both views carefully, together with the report from E and the opinion of the in-house surveyor. I've

also considered the points made by QIC when responding to our investigator's view. Taking all these into account, I've concluded QIC haven't acted fairly in declining Ms N's claim. I'll set out why I've come to this conclusion.

Firstly, as a general principle, where a policyholder makes a claim for damage or loss under a policy, the onus is on them to show there was an insured event that caused the damage or loss. In this case, given my conclusions there were storm conditions at the time of the incident, and the damage is consistent with that we'd expect to see in a storm, I think it's reasonable to conclude there was an insured event (storm) that caused damage.

However, where an insurer relies on an exclusion in the policy to decline a claim (as QIC have done) then the onus is on them to show the exclusion applies. Looking at the available information and evidence, I don't think QIC have done so in the specific circumstances of this case, so I'll explain why I've come to this view.

In their final response, QIC refer to the following policy exclusions, firstly in the General Exclusion section where there's the following exclusion:

12. Any gradual or maintenance-related loss or damage
Loss or damage as a result of gradual causes including:
- Wear and tear...
 - Gradual deterioration (whether you were aware of it or not)..."

QIC also refer to a similar exclusion in the Storm section of the policy, where it states "We don't cover...d. anything that happens gradually."

QIC also refer to their field surveyor's report, which states:

"...the roof is in a generally degraded condition, with the presence of past repairs in the form of lead tabs indicating nail fatigue to slate fixings."

And the field surveyor's view that:

"...we deem the proximate cause to be the age-related degraded condition of the slate roof."

QIC also refer to their in-house surveyor's conclusion that:

"...we can see through the photos that there is evidence of previous repairs in the form of lead straps (tingles) which are usually used to hold previously slipped tiles in place. This highlights the condition of the roof and that the storm has highlighted this as opposed to being the sole cause."

The first issue I've considered is the condition of the roof, given the comments from E and QIC's in-house surveyor. I've also considered the information provided by Ms N about the survey she had carried out when she bought the property, and the evidence she's provided about repairs to the roof she has carried out in 2021. She says this shows she carried out maintenance work on the roof, improving its condition. QIC say it supports their view about previous repairs to the roof.

On balance, I agree with Ms N. Carrying out repairs (and their presence, as noted by QIC) is what I'd expect a consumer to do to maintain the condition of their property (and insurers expect policyholders to maintain their property to an appropriate standard). Nor do I agree with QIC that the presence of repairs indicates issues with the roof or that it was in a degraded condition. I've also considered the report from the surveyor Ms N engaged when she bought the property. The report indicates issues with the mortar under the ridge tiles and

some slipped tiles. But I've also seen the evidence of repairs carried out by Ms N's roofer following the surveyor's report, including to the tiles. This indicates work was carried out to address the issue of the tiles identified in the surveyor's report.

I've also considered the issue of the mortar under the ridge tiles. This issue was mentioned in Ms N's surveyor report. QIC also refer to photographs showing areas of missing mortar. I agree this shows an issue with the condition of the mortar. However, I don't think it's relevant to the issue about the dislodged tiles. That's because the ridge tiles are intact and weren't damaged in the storm. So, Ms N's claim doesn't involve any such damage, it only includes dislodged roof tiles. So, the missing mortar has no bearing on the dislodged tiles.

I've also considered the severity of the storm conditions on the date of the incident (also the point made by Ms N when responding to our investigator's view). As noted above, QIC's weather report indicates a maximum wind speed (gust) of 76 mph and describes the wind as "violent storm force gusts...". The wind speed is significantly higher than QIC's own policy definition of storm force winds (55 mph). A wind speed of 76 mph would (on the Beaufort Scale) be classified as 'Hurricane' level under the World Meteorological Organisation classifications. At this level, expected damage would include tiles being displaced (if not greater damage) which is consistent with what happened in this case.

Taken together, I've concluded that the damage to the roof (dislodged tiles) wasn't, on balance, due to the condition of the roof. QIC haven't shown this, or that it was fair to apply the exclusion to decline the claim for damage to the roof.

The other aspect of Ms N's complaint is about the damage to the neighbour's car from a dislodged tile. While neither Ms N nor QIC made any comment on our investigator's view on this issue, I've considered it in coming to my decision.

The circumstances described by Ms N are that she was told by QIC to tell the neighbour to make a claim on their insurance, with a view to their insurer then seeking reimbursement of their costs in settling the claim (assuming they accepted and settled it) from QIC (as insurers of Ms N). However, from the circumstances described by Ms N, the neighbour didn't want to make a claim because of the impact on their premium. Ms N then paid directly for the damage to be repaired.

In considering this issue, my role is to decide whether QIC have acted fairly towards Ms N. In telling her to ask the neighbour to make a claim on their insurance, they were following normal practice in such cases. So, I don't think they have acted unreasonably. As Ms N has come to a private arrangement with her neighbour, which didn't involve QIC, it wouldn't be reasonable for me to ask QIC to reimburse Ms N for the payment she made.

Having reached these conclusions, I've thought about what I think QIC need to do to put things right. Ms N has already paid for the roof repair work to be carried out. That being the case, as I don't think QIC can rely on the policy exclusion to decline the claim, I think they should settle the claim in line with the remaining terms and conditions of the policy (including any excess under the policy, as appropriate) based on Ms N providing evidence (such as proof of payment on a bank statement) of the cost she's incurred. In addition, on the assumption Ms N has paid the cost, I think it's reasonable to add interest, at a rate of 8% simple, from the date Ms N paid the cost to the date QIC settle the claim.

I've also considered the question of compensation for the inconvenience Ms N had suffered from what happened. From what she's told us, I think the decline of her claim was distressing and inconvenient, including her needing to arrange repairs herself when QIC declined her claim. Considering all the circumstances of the case, I think £150 would be fair and reasonable.

My provisional decision

For the reasons set out above, it's my provisional decision to uphold Ms N's complaint in part. I intend to require QIC Europe Ltd to:

- *settle the claim in line with the remaining terms and conditions of the policy (including any excess under the policy, as appropriate) based on Ms N providing evidence (such as proof of payment on a bank statement) of the cost she's incurred.*
- *Pay £150 for distress and inconvenience.*

In addition, on the assumption Ms N has paid the cost, I think it's reasonable to add interest, at a rate of 8% simple, from the date Ms N paid the cost to the date QIC settle the claim.

QIC Europe Ltd must pay the compensation within 28 days of the date on which we tell them Ms N accepts my final decision. If they pay later than this they must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

Ms N responded to day she had no further points to make.

QIC responded to say they disagreed with the provisional decision, making several points. First, in referencing the issue of the mortar to the ridge tiles, this wasn't the area of damage for which the claim was made. The reference was made to further evidence the overall condition of the roof (the deteriorated condition of which was referenced by the surveyor (E), the in-house surveyor and their Building Services Manager.

QIC also noted Ms N obtained a quote for roof replacement in 2021, but carried out limited, local repairs focusing on the slipped tiles requiring attention (as evidenced by the number of lead straps and tingles visible across the roof). Obtaining a quote for a full roof replacement was evidence of existing issues throughout the roof. And carrying out local repairs didn't address the issues and condition of the roof overall. Together with the condition of the mortar, the local repairs were indicative of the overall, degraded condition of the roof.

QIC also referred to nails beginning to fail on the roof to the slates, so areas not maintained (or subject to local repair) would [continue to] fail as the nails corroded further, allowing the slate to slip.

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.

My role here is to decide whether QIC have acted fairly towards Ms N.

I've considered each of the points raised by QIC in turn. On the point about the mortar and the ridge tiles, my provisional decision noted these weren't part of the claim for damage. While their condition indicates a specific issue, they weren't dislodged in the violent storm – indicating their condition wasn't so deteriorated to the extent they failed. Nor does their condition have any bearing on the actual damage claimed for.

On the point about Ms N obtaining a quote for roof replacement, I don't think this unusual. Having obtained a quote, it would be for Ms N to determine (also based on her surveyor's report) whether to replace the roof or (as she did) carry out repairs relating to the tiles. Indicating she took steps to maintain her property, short of replacing the whole roof. And if the roof was as degraded overall as QIC say it was, then I'd have expected a storm of the violence recorded on the date of the incident to have caused more significant damage than just some dislodged tiles. So, I'm not persuaded by QIC's view.

On the point about the nails beginning to fail, meaning areas not maintained would continue to fail, the issue would be whether QIC have shown – given the onus on them to show the exclusion applies – that the tiles were dislodged because of such a failing. I haven't seen this from the evidence available, so I haven't changed my view that that the dislodged tiles weren't, on balance, due to the condition of the roof and they haven't shown this, or that it was fair to apply the exclusion.

My final decision

For the reasons set out above, it's my final decision to uphold Ms N's complaint in part. I require QIC Europe Ltd to:

- settle the claim in line with the remaining terms and conditions of the policy (including any excess under the policy, as appropriate) based on Ms N providing evidence (such as proof of payment on a bank statement) of the cost she's incurred.
- Pay £150 for distress and inconvenience.

In addition, on the assumption Ms N has paid the cost, I think it's reasonable to add interest, at a rate of 8% simple, from the date Ms N paid the cost to the date QIC settle the claim.

QIC Europe Ltd must pay the compensation within 28 days of the date on which we tell them Ms N accepts my final decision. If they pay later than this they must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms N to accept or reject my decision before 27 March 2023.

Paul King
Ombudsman