

The complaint

Mr D complains that QIC Europe Limited ('QIC') declined a claim on his home insurance for damage to a gable wall during a storm.

QIC used a third party company to handle Mr D's claim and most of his correspondence has been with this company rather than directly with QIC. For the avoidance of doubt, any reference to QIC includes its agents, including the claims handling company.

What happened

Mr D had a QIC home insurance policy. In January 2022, during storm Malik, part of the outer wall at the gable end of his home collapsed. This left the inner skin of his home exposed. The falling bricks also badly damaged a parked car. Mr D contacted QIC to make a claim on his insurance. In the meantime, Mr D had to arrange alternative accommodation because there was a danger his home was structurally unsound.

QIC's surveyor inspected the damage on 31 January 2022. Based on the surveyor's report, QIC declined the claim. It told Mr D the damage to the wall was caused primarily by wear and tear rather than the storm. QIC said this meant the damage to the gable wall wasn't covered by his policy.

Mr D was unhappy with this. He instructed his own expert to assess the damage and sent QIC his expert's report. QIC wouldn't change its decision, so Mr D brought his complaint to this service. He wants QIC to settle his claim.

Our investigator didn't recommend that Mr D's complaint should be upheld. She reviewed the expert reports and was more persuaded by QIC's expert's assessment of the damage – that issues with the wall ties compromised the wall's integrity and this structural weakness was exposed by the storm. She agreed with QIC that this wasn't covered by Mr D's policy, so she didn't think it was unreasonable for QIC to decline the claim.

Mr D disagreed with our investigator, so the case was passed to me to consider.

My provisional decision

I issued a provisional decision on this case on 19 January 2023. I said:

"Like most policies, Mr D's cover only makes QIC liable for damage caused by certain insured events. The damage needs to be caused by one of the insured events listed in his policy.

Section 1.3 of Mr D's policy booklet shows he's covered for loss or damage caused by a storm. The policy booklet defines a storm as "a period of violent weather" typified by, among other things, "a gale of Force 10 or above (as defined under the internationally recognised Beaufort Scale) reaching wind speeds of at least 55mph...."

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

1. Were there storm conditions on or around the date of the claim?
2. Is the damage consistent with storm damage?
3. Were the storm conditions the main cause of the damage?

If the answer to any of these questions is “no” the claim won’t succeed.

First, both parties accept there was a storm. Local weather records for the area where Mr D lives show wind speeds of over 70mph on 29 January 2022. The Met Office’s information for the 2021/22 storm season shows that this was storm Malik, which hit the UK that day.

Second, I think most people would accept that a storm could cause significant damage to a wall. And given the section of Mr D’s gable wall collapsed during storm Malik, I think it’s reasonable for me to consider whether the storm was the main cause of the damage.

That means the last question is key: were the storm conditions the main cause of the damage? Both Mr D and QIC have relied on expert reports to support their view. They’ve also provided detailed responses to points raised by the other party. I’ve read all these documents carefully, but I don’t think I need to comment on each to reach the right outcome. Instead, I’ve focused on what I think are the key issues in the experts’ reports and summarised these below.

QIC’s surveyor report

QIC’s surveyor inspected the damage on 31 January 2022.

- *He concluded: “...looking at the top of the gable the wall ties are shorter in length, and viewing the wall ties they look to have corroded and failed and pulled out of the External brickwork”.*
- *He also said: “I would not expect a double skin wall that is tied in to the roof, joists and internal brickwork to be affected or be blown over in high winds.”*

Mr D’s expert report

Mr D’s expert inspected the damage on 8 February 2022.

- *He didn’t find any evidence of wall tie corrosion failure and refuted QIC’s surveyor’s conclusion that this was the reason the wall collapsed.*
- *Instead, he believed the storm winds “provid[ed] a suction on the gable wall causing the mortar bond (as there was no key) around the ties to fail.”*
- *He referenced the July 2021 HomeBuyers Report which identified no issues with the gable wall.*

QIC’s review of Mr D report

A second QIC surveyor reviewed Mr D’s report on or around 28 February 2022. He based his findings on his review of more than 30 photos of the damage.

- *He agreed with Mr D’s expert that wall tie corrosion wasn’t the cause of collapse.*
- *He said: “The failure is due to insufficient resisting ability due to failed/lack of key/tie between the ends of cross cavity ties into the mortar joints of the brickwork it is holding in place.”*
- *He noted the “clean separation pattern” of the bricks that fell on Mr D’s car. He said this showed “a progressive decline in the mortar and its ability to adhere to bricks.”*

- He concluded: "...while this matter occurred during the course of a named storm... constructional defects regarding number of ties, their type, the integrity of the wall and its ability to become part of a coherent system, was both aged and flawed."

I've thought about this very carefully but overall I'm not persuaded by QIC's evidence. It originally declined the claim because its surveyor said the wall ties were corroded. When challenged on this, its second surveyor agreed with Mr D's expert that this was "clearly" not the case. Instead, he said the structural integrity of the wall had become compromised due to age-related wear and tear.

I think Mr D's expert is more persuasive. He closely examined exposed brickwork and rubble and, having found no evidence of wall tie corrosion, concluded that the storm winds caused the mortar bonds around the wall ties to fail. QIC's second surveyor, on the other hand, studied the first surveyor's photos and decided the mortar had deteriorated to such an extent that the gable wall had become unsound. While I accept that desk-based reviews can be valuable, I think Mr D's expert's on-site inspection carries more weight in this case. Mr D has also pointed out that QIC's second surveyor seems to suggest the gable wall – built almost 100 years ago – should be assessed against modern building requirements. I agree with him that this isn't fair or reasonable. On balance, I'm satisfied that the storm was the main cause of damage.

But even if I did accept QIC's second surveyor's opinion that the collapse was due to an underlying structural failure, I don't see how Mr D could have been expected to know there might have been a problem. He moved into the house just three months before the storm. As part of the purchase process, he commissioned a HomeBuyers Report, dated 23 July 2021. This included an assessment of the gable wall, quoted in his expert's report:

"The walls are of solid and cavity masonry construction. The property has been affected by past structural movement... [however] the movement appears to be long-standing and does not appear to be progressive.... At present, the property shows no obvious signs of damage...."

QIC will be aware of this service's general approach in cases like this. There's nothing in the HomeBuyers Report – or in either of the two reports by QIC's surveyors – that suggest Mr D could have known there was any issue with the integrity of the gable wall. There's also no suggestion that Mr D failed to take reasonable steps to maintain the wall. In the circumstances, I don't think Mr D could have done anything more to protect the wall. So even if I thought QIC's assessment of the damage was correct, I think it would be unfair for QIC to rely on a gradual deterioration exclusion to decline Mr D's claim.

For the reasons above, I don't think QIC acted fairly when it declined Mr D's claim. Based on the evidence I've seen, I intend to uphold the complaint. I think QIC should settle Mr D's claim for damage to the gable wall, and for any consequential damage and losses incurred because of the storm. For example, Mr D's temporary accommodation costs as well as the cost of his expert report. QIC should add 8% interest to these amounts. I'd be grateful if Mr D would list any other costs he believes QIC should cover when he replies to this provisional decision.

Finally, it's clear that QIC's handling of his claim has caused Mr D some distress. I think QIC should pay Mr D £300 to reflect this."

Responses to my provisional decision

QIC didn't accept my provisional decision. It said, in summary:

- While its second surveyor didn't agree with QIC's first surveyor's conclusion that the wall ties had corroded and disintegrated, he did agree the wall ties were the cause of the damage.
- His report said: *"the failure is due to insufficient resisting ability due to failed/lack of key/tie between the ends of cross cavity ties into the mortar joints of the brickwork it is holding in place."*
- In his opinion, the wall ties failed because of the way they were installed, and this failure was the direct cause of the gable collapse.
- QIC noted its surveyor's experience and qualifications and said it would welcome Mr D's expert's comments on his findings.

Mr D accepted my provisional decision. He sent us a list of his repair costs (plus financing fee) as well as his additional expenses. These expenses cover: alternative accommodation while his home was made safe; related living expenses during this period; the cost of his structural engineer's inspection, report, visits, and certification of works. Mr D also told us he would ask QIC to cover the cost of repairing his driveway, which was damaged by the fallen bricks. He said he hadn't got quotes for this work yet.

Finally, he asked me to note that QIC's surveyor inspected the damage on 2 February 2022, not 31 January.

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 respect QIC's second surveyor's experience and qualifications. However, Mr D's expert is also extremely well qualified, and he has a different opinion. In these cases I must weigh up the views of both experts and decide, on the balance of probabilities, whose opinion is more likely to be correct. On balance, I favour the opinion of Mr D's expert. I explained why in my provisional decision and my reasons for this haven't changed.

I accept QIC's point that it would have been helpful if Mr D's expert had commented on its second surveyor's findings. However, I understand why Mr D didn't want to incur yet another expense. In any case, I'm satisfied I have enough information to make a decision.

I explained in my provisional decision why I thought Mr D couldn't have known there might have been a problem with his gable wall, and why this meant QIC should have accepted his claim. QIC didn't comment on this. In the circumstances, I see no reason to change my decision that QIC should settle Mr D's claim for the collapsed gable.

Mr D has questioned the date of QIC's surveyor's visit. His report and QIC's final response give the date of this inspection as 31 January 2022, however this doesn't affect my decision.

Mr D has listed his additional expenses. I don't think QIC has seen all of these before and I'm conscious that I haven't seen invoices for these so can't validate them. So I don't think it would be fair for me to order QIC to pay these without it having the chance to review them. I'm simply going to require QIC to ask Mr D for a breakdown of these costs – plus any evidence he has for them – review and settle in line with the remaining policy terms.

My final decision

My final decision is that I uphold the complaint and require QIC Europe Limited to:

- Settle Mr D's claim in line with the policy settlement terms.

- Pay Mr D's consequential costs in line with the remaining policy terms.
- QIC should add interest to these amounts at 8% per annum from the date they were paid to the date of settlement.
- Pay Mr D £300 to reflect the distress QIC's handling of his claim has caused him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 24 February 2023.

Simon Begley
Ombudsman