

## **The complaint**

Mrs P and Mr P complain about how QIC Europe Ltd (QIC) dealt with a claim under their home insurance policy for damage to their 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 November 2021, around the time of Storm Arwen, bad weather caused damage to Mrs P and Mr P's property, including a chimney stack, fascia boards, soffits and guttering to the roof. A further area of fascia and soffit had come loose and caused some roof tiles above to become loose. They contacted QIC to tell them about the damage and lodge a claim.

QIC arranged for a field surveyor (P) to visit the property and assess the damage, although this didn't happen until early in the new year. P's report stated the cause of the damage was the high winds from Storm Arwen but went on to conclude the bad weather had highlighted pre-existing issues with the property in the areas of damage. The surveyor's report also concluded the pointing of the brickwork of the chimney was in poor condition, showing signs of age-related wear and tear (including missing pointing in places and weathering). It also noted the wooden boards under the uPVC fascia boards showed signs of being rotten. P's overall conclusion was the damage wasn't the result of a one-off storm event, rather the storm had merely highlighted pre-existing issues.

Based on the field surveyor's report, QIC declined the claim, citing a policy exclusion for gradual deterioration and wear and tear.

Unhappy at the decline of their claim Mrs P and Mr P raised a complaint with QIC. In their final response, QIC said the wind speed around the date of the incident met the policy definition of a storm. QIC also referred to P's report, in particular their findings about the poor condition of the brickwork of the chimney and the fascia boards showing signs of rotting, which they considered indicated the cause of the damage was pre-existing age-related wear and tear. QIC's in-house surveyor agreed with P's conclusions. QIC referred to an exclusion under the policy for gradual deterioration and wear and tear. So, QIC confirmed their decision to decline the claim.

However, QIC said the accidental damage section of the policy would cover the damage to the guttering. They offered a cash settlement of £898.94 (less the policy excess of £250). In addition, QIC said they would reimburse up to £179.79 for any applicable VAT (subject to a VAT receipt from a contractor). On the issue of Mrs P and Mr P's unhappiness with the brevity of P's visit and lack of knowledge of their property's location, QIC said the photographs taken by P were sufficient for them to assess the claim comprehensively, so they didn't uphold this aspect of the complaint.

Mrs P and Mr P then complained to this service. They disagreed with QIC about the decline of the claim due to pre-existing age-related wear and tear. They said their property was well-maintained and (on the issue of rotting fascia boards) they said prior to the storm there was

no evidence of rotting (or leaks). They thought damage to the chimney stack was the result of the wind catching a TV ariel and its subsequent movement. And the damage wouldn't have occurred had there not been storm conditions. They said they'd suffered stress and anxiety from the claim decline and having to pay for the damage to be repaired. They wanted QIC to accept their claim and appoint a contractor to repair the damage (as they were finding it difficult to engage a reputable contractor).

After making their complaint, Mrs P and Mr P engaged a firm (S) that carries out condition surveys of buildings. In their report, S considered the issue of the wooden boards behind the fascia boards and soffits. The report stated that to have assessed the condition of the wooden boards would have required dismantling of the eaves (and removal of the fascia boards and soffits). Which would have risked the integrity and waterproofing of the roof system, particularly if the fascia boards and soffits were in good condition. In S's opinion, it wouldn't be reasonable to expect a homeowner to dismantle the eaves (with the associated risks) simply to check the condition of hidden elements (the wooden boards).

Our investigator upheld the complaint, concluding QIC hadn't fairly declined the claim. She concluded there were storm conditions at the time of the incident and the damage was typical of storm damage. She also thought the report provided by S persuasive, as they (Mrs P and Mr P) wouldn't have been aware of the issue with the fascia board without removing the fascia and the soffit. So, Mrs P and Mr P wouldn't have been aware of any gradual deterioration of the wooden boards. Based on this, our investigator thought QIC should accept the claim, and couldn't rely on the policy exclusion for gradual deterioration and wear and tear. The investigator also thought QIC should reimburse Mrs P and Mr P for the cost of S's report.

QIC disagreed with the investigator's conclusions and asked for an ombudsman to review the complaint. They said their stance remained unchanged. It was Mrs P and Mr P's responsibility to have the roof regularly maintained and had this been the case, it would have been evident the board under the fascia had been deteriorating for some time.

In my findings, on the damage to the chimney stack, I concluded QIC acted fairly in declining Mrs P and Mr P's claim. But on the damage to the fascia boards and soffits (and by extension, the slipped tiles above the damaged fascia boards and soffits) I concluded QIC hadn't acted fairly in declining that element of the claim.

Having reached these conclusions, I thought about what QIC should do to put things right. As I concluded they didn't act fairly in declining the claim for damage to the fascia boards, soffits (and the tiles above), then they should assess the element of claim relating to these areas of damage in accordance with the remaining terms and conditions of the policy. I also thought QIC should reimburse Mrs P and Mr P for the cost of the report they commissioned from S (on production of an invoice or other evidence of payment).

I also considered what Mrs P and Mr P said about the impact the incident and QIC's assessment of the claim had on them, including the stress and anxiety of the claim having been declined. Considering all the circumstances of the case, I thought QIC should pay £150 compensation for distress and inconvenience.

Because I reached different conclusions 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 Mrs P and Mr P.*

*The main element of Mrs P and Mr P's complaint is that QIC unfairly declined their 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 age-related issues with the chimney and the fascia boards that led to the damage.*

*In considering this issue, 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 said they were satisfied there were storm conditions around Mrs P and Mr P's property at the time of the incident, noting a wind speed of 55 mph (the day after the incident). For the date of the incident the weather report provided by QIC to this service records a wind speed of 50 mph and describes the conditions as 'wind storm locally'. Reports from the weather firm this service uses show (for the weather station nearest to Mrs P and Mr P's property) on the date of the incident a peak gust of 61 mph (and the conditions described as a 'dry storm'). Based on this, I've concluded there were storm conditions on the date of the incident.*

*On the second question, I've considered the description of the damage provided by Mrs P and Mr P (and in P's report). Damage to fascia boards (and soffits), chimney stack and roof tiles is damage we'd expect to see in storm conditions, particularly those with high winds.*

*The third question is therefore key, given QIC declined the claim on the grounds the cause of the damage was gradual deterioration and wear and tear. I've considered this issue carefully, including the points made by Mrs P and Mr P (and the views of their expert) together with the report from P and the opinion of QIC's in-house surveyor. I've also looked at the photographs of the property, including the damaged chimney stack (to which the TV ariel was attached), the damaged fascia boards and soffits, the adjacent tiles and other areas. Taking all these things into account, I've reached different conclusions about the individual areas of damage within the claim.*

*On the damage to the chimney stack, I've concluded QIC have acted fairly in declining Mrs P and Mr P's claim. But on the damage to the fascia boards and soffits (and by extension, the slipped tiles above the damaged fascia boards and soffits) I've concluded QIC haven't acted fairly in declining that element of claim. I'll set out why I've come to different conclusions.*

*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 think QIC have done so in the specific circumstances of this case, regarding damage to the chimney stack. But not in respect of damage to the fascia boards and soffits. I'll explain why I've come to this view.*

*In their final response, QIC refer to the following policy exclusion, firstly in the General Exclusions 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."*

*I've also considered the report from P, which concludes:*

*"...the damage sustained to the property is not a result of a one-off event of storm damage and the recent bad weather has merely highlighted pre-existing age-related wear and tear and weathering issues with the property."*

*Concerning the damage to the chimney, the report states:*

*"...the brickwork was in poor condition showing signs of area related wear and tear and weathering."*

*QIC's in-house surveyor reviewed the report and agreed with the conclusions, saying:*

*"...In addition, the pointing to the chimney is in a poor condition."*

*Mrs P and Mr P say the damage to the chimney stack was the result of the wind catching a TV ariel and its subsequent movement.*

*I've considered both views carefully, together with the supporting evidence and photographs. Based on this, I'm more persuaded by QIC's view. The photographs of the chimney stack do show bricks dislodged where the TV ariel was attached. But they also show areas of missing pointing (in several areas of the stack). So, I'm persuaded there were pre-existing issues that are likely to have led to the dislodging of the TV ariel. I'm not persuaded that a stack in good condition would have suffered the damage it did in the high winds.*

*Turning to the damage to the fascia boards, P's report states:*

*"...the wooden boards under the uPVC fascia boards show signs of being rotten."*

*QIC's in-house surveyor reviewed the report and agreed with the conclusions, saying:*

*"...the wooden board the fasci was attached to has deteriorated. As such the fascia was not fixed properly onto the board and this was highlighted by the wind."*

*I've also considered the points raised by Mrs P and Mr P, including the report they commissioned from S. On balance I'm persuaded by their view, and that of S. The photographs of the property show the remaining (undamaged) areas of fascia boards and soffits to be in a good condition. And the wooden boards beneath them wouldn't have been visible, so Mrs P and Mr P wouldn't have had any indication of an issue with the wooden boards (and consequently need to take maintenance action). I agree with S's view that it wouldn't be reasonable to dismantle the eaves (remove the fascia boards and soffits) to check the condition of the boards beneath, given there wasn't any obvious signs of deterioration.*

*Based on these conclusions, I think QIC have acted unfairly to decline the element of the claim for damage to the fascia boards, soffits (and the tiles above) by applying the exclusion for gradual deterioration and wear and tear.*

*Having reached these conclusions, I've thought about what QIC should do to put things right. As I've concluded they didn't act fairly in declining the claim for damage to the fascia boards, soffits (and the tiles above), then they should assess the element of claim relating to these areas of damage in accordance with the remaining terms and conditions of the policy (that is, they cannot apply the exclusion for gradual deterioration and wear and tear). I also think QIC should reimburse Mrs P and Mr P for the cost of the report they commissioned from S (on production of an invoice or other evidence of payment).*

*I've also considered what Mrs P and Mr P have said about the impact the incident and QIC's assessment of the claim have had on them, including the stress and anxiety of their claim having been declined. Considering all the circumstances of the case, I think QIC should pay £150 compensation for distress and inconvenience.*

#### *My provisional decision*

*For the reasons set out above, it's my provisional decision to uphold Mrs P and Mr P's complaint in part. I intend to require QIC Europe Ltd to:*

- Assess the element of claim relating to the damaged fascia boards and soffits (and the tiles above) in accordance with the remaining terms and conditions of the policy.*
- Reimburse Mrs P and Mr P for the cost of the report they commissioned from S (on production of an invoice or other evidence of payment).*
- Pay Mrs P and Mr P £150 compensation for distress and inconvenience.*

Mrs P and Mr P accepted the findings and conclusions in the provisional decision. They also provided a copy of the invoice for the report they commissioned from S (£200 plus VAT). QIC didn't respond by the date requested.

#### **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 Mrs P and Mr P.

As Mrs P and Mr P have accepted the findings and conclusions in my provisional decision (and QIC haven't responded) then my final decision is the same as my provisional decision (with the addition of the cost of S's report being provided by Mrs P and Mr P).

#### **My final decision**

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

- Assess the element of claim relating to the damaged fascia boards and soffits (and the tiles above) in accordance with the remaining terms and conditions of the policy.
- Reimburse Mrs P and Mr P for the cost of the report they commissioned from S (£200 plus VAT, from the invoice provided from Mrs P and Mr P).
- Pay Mrs P and Mr P £150 compensation for distress and inconvenience.

QIC Europe Ltd must pay the compensation within 28 days of the date on which we tell them Mrs P and Mr P accept 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 Mrs P and Mr P to accept or reject my decision before 2 March 2023.

Paul King  
**Ombudsman**