

The complaint

Miss B has complained that Royal & Sun Alliance Insurance Limited ('RSA') declined a claim for storm damage under her home insurance policy.

For the avoidance of doubt, the term 'RSA' includes reference to its agents and representatives.

What happened

Miss B's property suffered damage in February 2022. She contacted RSA and later made an insurance claim to it under her policy. It declined the claim following review of photographs which Miss B sent, as it said they showed signs of wear and tear and lack of maintenance. It concluded that any storm had merely highlighted these issues and that the damage was not caused by a one-off event. Following complaint by Miss B, RSA maintained its decision.

Miss B was unhappy that RSA had declined her claim and she referred her complaint to this service. The Service's investigator upheld Miss B's complaint. He said that the relevant storm was widely reported and had caused substantial damage and he felt that high winds could typically have caused damage to this type of property. He discounted the exclusions upon which RSA relied as he said they related to contents and not buildings or storm cover. In summary, he was persuaded by the evidence provided by Miss B that the damage had been caused by a storm event. He considered that RSA needed to reconsider the claim in line with the remaining terms and conditions of the policy.

The investigator also recommended that RSA pay Miss B compensation of £250 as the claims process had been unnecessarily delayed by some months, and Miss B had to contend with the distress and inconvenience associated with these delays.

RSA disagreed with the investigator's decision and the matter has therefore been referred to me to make a final decision in my role as Ombudsman

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.

The key issue for me to determine is whether RSA applied the terms and conditions of the relevant policy in a fair and reasonable manner by declining Miss B's claim. I don't consider that it's acted fairly and reasonably in all respects, and I therefore uphold Miss B's complaint. I'll explain why.

Miss B provided some background information regarding the property. The building had been restored in the 1990's and closed as a commercial business in 2011. Her family bought the property and associated buildings in 2015. Since then, she said the property had been routinely inspected internally and externally and had been '*continually and comprehensively*

insured'. Miss B added that this was the first insurance claim she'd made. She emphasised that it wasn't a dilapidated or abandoned structure and a cottage, which was permanently occupied, formed part of the complex.

In terms of her dealings with RSA, Miss B said she'd contacted it by telephone in February 2022, however she was told that it had no record of her policy. Her insurance broker contacted the insurer on her behalf and confirmed the existence of her policy and Miss B said that, after multiple calls, she was eventually able to register her claim. When Miss B asked for an update on her claim in May 2022, she was informed that the person she'd spoken to didn't work for the company.

Miss B said that RSA eventually confirmed that her claim had been logged and it asked her to send photographs of the damage, a cause of damage report, and quotations for the repairs from two separate contractors. Miss B accepted that there was then a delay of around eight weeks as she then had to instruct a specialist firm to produce a report and hire a drone. She said that it hadn't been possible to obtain a second quote, although she asked if RSA could recommend a second contractor. Following automated acknowledgement, Miss B said that, at the end of July 2022, RSA informed her that her claim had been declined.

Miss B then didn't receive promised telephone calls. She contacted RSA several times but was told there was a technical issue and that it was unable to access its files. In September 2022, RSA confirmed its decision to decline the claim. Miss B wrote back stating that it was only the roof of the structure that had been damaged during the storm and she requested the reports which RSA's assessors had used to decline the claim. She said that it hadn't undertaken any site visit and so the only information it had was that provided by herself. RSA then suggested that Miss B seek an independent report and submit it for consideration. Her specialist contractor produced a report in October 2022. RSA responded in November 2022 to say that it stood by its decision.

In summary, Miss B said that after eight months, she'd done everything possible to move the claim forward. She didn't believe that RSA was operating in good faith. She added that the top section of the roof was now compromised, resulting in internal damage by rain and wind. She said that if left unchecked, this would result in catastrophic damage to the internal wooden structures. Finally, Miss B said that the process had caused both herself and her family immense stress.

As for written evidence, Miss B's specialist contractor produced photographs of the site and the damage, and also produced a report. The contractor referenced damage caused to the property by the storm. He said that the wind speed recorded locally *'hit an excess of 75mph during the storm'*, and he said that this led to a part of the structure snapping, which in turn led to damage to other parts of the structure, cladding and protective boarding. This left large sections of weatherboarding missing at the rear of and the *'main structural timbers are now exposed to penetrating rainwater.'* The contractor suggested that temporary weatherproofing was essential to prevent any further damage, followed by a series of extensive repairs to the roof, weatherboarding, and production and fitting of six new timber structures. The contractor said he'd been involved with the repairs to another two structures of this type in the same part of the country, the damage having being caused by the same storm.

Turning to what RSA has said about this claim, its case notes appeared to confirm that relevant weather data provided confirmation of a storm event. It stated that it had reviewed all documentation and case notes in conjunction with the relevant policy wording. It accepted that the policy covered storm events, however added *'in common with most, if not all, your policy does not provide cover for every eventuality.'* It said that it was the policyholder's responsibility to demonstrate that an insured event had occurred and *'the responsibility of the insurer to either accept the claim based on the evidence provided, or to decline the*

claim, based on any policy exclusions or contradicting evidence that may apply.’ It quoted the exclusion in its policy for damage caused by wear and tear and quoted a part of its policy which stated; - *‘we will not pay for: - Damage caused by wear and tear, depreciation, rot and gradually operating cause.’*

Further parts of the policy which it quoted included the following. Under the heading *‘Conditions’*, it stated: - *‘an insured person must: maintain the home and all domestic equipment in good condition, and carry out or arrange regular inspections and preventative maintenance to the fabric and structure of the home.’* It also stated: - *‘You must take all reasonable steps to prevent accidents, loss or damage and must maintain the property insured in sound and good repair.’* RSA stated that following a review of the photographs, the property *‘clearly hasn’t been maintained, the wood is rotten and show clear signs of wear and tear’* which it said; *‘the recent storms have highlighted.’* On receipt of the requested independent report, RSA didn’t alter its decision to decline the claim, as the damage didn’t occur due to a one-off event. RSA’s case notes indicated that the policyholder had accepted that there was a lack of maintenance.

I’ll now explain the reasoning for this final decision. In considering storm damage, our service has a three-step approach. We firstly consider whether storm conditions occurred on or around the date the damage was said to have happened. In this case, both parties considered that a storm had occurred, with very strong winds being evident. Our investigator has looked at the relevant data for the relevant day and area. The data confirms storm force conditions in the area at the relevant time.

The second question we consider is whether the damage claimed is consistent with damage which a storm typically causes. Again, there’s no dispute that roof and structural damage of the nature shown in the photographs provided by Miss B would be consistent with damage typically caused by a storm, the edge of the roof clearly having been ripped away. I’m therefore satisfied that the claimed damage is consistent with storm damage.

The third question for determination is the crux of the issue here, and that is whether the storm conditions were the main cause of the damage. We’re usually guided by what experts have to say in this respect. RSA unfortunately hasn’t produced a loss adjuster’s or other expert’s report. I’ve therefore considered the report and photographs provided by Miss B’s specialist contractor who inspected and was familiar with the property. Whilst brief, I consider that the report is clear and persuasive in stating that it was the very high wind speeds which had led to part of the structure snapping, which in turn led to damage to other parts of the structure, cladding and protective boarding.

Having said this, I note that RSA’s case notes indicated that the policyholder accepted there had been a lack of maintenance to the property. This is supported by Miss B’s expert report which confirmed that other repairs were being undertaken and Miss B’s candid confirmation that there were plans for renovation of the property. The photographic evidence also supports that suggestion that the property was showing signs of wear and tear. It is therefore likely that a combination of factors led to damage to the roof and the external wooden structure. This included the existing state of the property, its distinctive construction, as well as the action of a storm event upon the compromised structure. In summary however, and on the balance of probabilities, I’m satisfied that the predominant cause of the visible roof damage here was the ferocity of the storm event.

In conjunction with this, I’ve carefully considered the policy exclusions and conditions mentioned by RSA, extracts of which are set out above. I agree with our investigator’s view that some of the provisions relied upon by RSA relate to irrelevant parts of the policy. I nevertheless note that there are other provisions which are potentially relevant as follows.

Under the heading '*Settlement of Claims*' regarding buildings, I note that the policy states: - '*...If the Buildings are not in good repair or if repair or replacement is not carried out, we will at our option pay: a) the cost of repair or replacement less a deduction for wear and tear and depreciation, or b) for the reduction in market value caused by the loss or damage...*' Under the general conditions, the policy also notes that: - '*You must take all reasonable steps to prevent accidents, loss or damage and must maintain the property insured in sound condition and good repair.*'

In conclusion, I agree with the relevant investigator that RSA didn't apply the wording of the relevant policy correctly and therefore didn't decline Miss B's claim in a fair and reasonable manner. I conclude that RSA should reconsider the claim in line with the remaining terms and conditions of the policy and on the basis that the storm event was the predominant cause of the evidenced roof damage. I also require RSA to pay Miss B compensation of £250 for the delays and inconvenience experienced during RSA's handling of this claim.

My final decision

For the reasons given above, I uphold Miss B's complaint and require Royal & Sun Alliance Insurance Limited to do the following in response to the complaint: -

- reconsider the claim in line with the remaining terms and conditions of the policy within 28 days of Miss B's acceptance of this decision letter.
- Pay Miss M compensation of £250 again within 28 days of Miss B's acceptance of this decision letter.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 19 April 2023.

Claire Jones
Ombudsman