

The complaint

Mr B has complained about his home insurer QIC Europe Ltd because it declined his claim made for storm damage to his home.

What happened

There was a storm in the vicinity of Mr B's home in January 2022. His property is semi-detached with a pitched tiled roof spanning his and his neighbour's home. Following the storm, he and his neighbour noticed the top few courses of bricks, along one entire façade of the conjoined properties, were leaning outwards. They had a builder assess the damage, do some make safe work and present repair estimates. They each made a claim to their respective insurers.

QIC began considering Mr B's claim. Work to reinstate the properties was completed. QIC, considering a two-line report completed by its assessor who visited the property before repairs were completed, declined the claim. It said the roof had spread due to age, there was no storm damage. When QIC wouldn't change its mind on the claim, Mr B complained to the Financial Ombudsman Service.

Mr B provided evidence from two builders, as well as testimony from his neighbour. His neighbour also shared evidence from the loss adjuster appointed by his insurer. His insurer had accepted and paid the claim following the investigations undertaken and recommendations made by its loss adjuster. Mr B and his neighbour had each been charged £23,980 by the builder to fix the problem at the property which Mr B believed, and his neighbour's insurer accepted, had resulted from storm winds lifting and shifting the roof.

Our Investigator wasn't persuaded by the evidence Mr B presented. He didn't think a healthy roof would be moved as suggested by Mr B where the maximum windspeed was 68mph. Further, having reviewed photos, he said he didn't think storm was the main cause of the damage. So he didn't uphold the complaint.

Mr B didn't agree with the findings. His complaint came to me for review. I wasn't persuaded, given the available evidence, that QIC had shown it had fairly and reasonably declined the claim. My initial thoughts were that QIC's evidence was lacking and there was evidence to suggest the claim should have reasonably been accepted under the storm cover.

Some key points from my review, which I put to QIC, were:

- *The report presented on the damage is unusually brief.*
- *No detail is given of the report's author which satisfies that they are capable and suitably qualified to make such a determination on the damage.*
- *The author doesn't seem to have inspected the roof internally, certainly there are no supporting photos.*
- *No evidence has been presented which shows the house was damaged prior to the storm.*
- *The winds in play, 68 – 83 mph, are capable of doing this type of damage.*
- *The property appears to be in an exposed position.*

- *A certified loss adjuster has accepted the damage claimed for was caused by storm – and has also verified the costs claimed for fixing it. Albeit in relation to the half of the roof/damaged area which QIC is not liable for.”*

I told QIC that I felt it hadn't supported its decline of the claim. I said it should reimburse Mr B's outlay, plus interest* and pay £300 compensation for upset.

QIC wasn't minded to agree with my recommendations. It said it didn't agree its initial evidence was lacking, that photos taken showed fairly conclusively that the roof was in a poor state. But it accepted the report content was brief – so it said it had obtained a report from a surveyor. The report from the surveyor took into account a maximum windspeed of 68mph, and photos, including some Mr B had shared with QIC, including some of the loft. The surveyor said the roof was in good condition and he'd have expected to see damage to it if it had been lifted and moved by the storm. Internally he noted some slipped wall plates. He felt there was limited tying in of the roof structure – completely in line with regulations from the time the house was built – and that this is known to be a cause of roof spread. So he concluded the damage was consistent with roof spread occurring over a long time and not the storm.

QIC's report was shared with Mr B. Mr B felt it was unpersuasive and flawed, not least as the surveyor had not physically seen the property, either before or after repairs. He noted this was not the case for the three experts whose reports he had presented (two from builders and one from his neighbour's insurer's loss adjuster).

I reviewed the complaint in light of the new evidence. I issued a provisional decision to explain to both parties that I still intended to uphold it as initially set out to QIC, and why that was. My provisional findings were:

“There's no doubt there was a storm. And as I noted initially, the prevailing windspeeds were up to a maximum of 83mph. Wind of that speed could typically damage a property in the way subject of this claim and complaint. The issue remains whether storm was the main cause of the damage. QIC has sought to argue it was not.

I still think QIC's initial assessment was flawed – the comment from the assessor was brief, and although photos were provided there was no explanation to accompany them. And I don't agree with QIC as to what it thinks the photos show. In any event, QIC has now, a year and a half after the damage occurred and the claim was made to it by its policyholder, obtained a more detailed expert report.

I bear in mind though that, as Mr B has pointed out, the surveyor has not seen the property at all. Of course, visiting it now would likely hold little worth as the repairs have all been done (and paid for). But the surveyor, unlike the other experts which have commented, did not see the property in its damaged state. And his assessment of what may have happened internally in the loft space, to cause the damage, is based on a few photos taken by Mr B.

Two builders repairing the property have shared their views that this damage was caused by storm. They saw and worked on the property. Mr B paid for the work shortly after it was completed. And their views were given later when Mr B asked for them. I think it's fair to say they can be classed as independent – their views weren't given with a view to appeasing Mr B to either encourage payment or agree work, for example. One said there had been no sign of age-related wear and that the house would not have suffered in normal weather conditions. The second said the roof was in overall good condition with no missing slates and internally it was structurally sound with no sign of water ingress. They both commented that the storm had caused the damage subject of the necessary repairs and that in the course of those repairs, many of the original materials were re-used.

I've also taken into account comment from the loss adjuster acting for Mr B's neighbour's insurer. I have to say, at this point, that in many situations, evidence of storm damage to a neighbouring property, would not be that relevant to my consideration of whether or not storm damage to the insured property had occurred. But I have to review each complaint on its own merits. And in considering this complaint I've been mindful that whilst two homes are involved, in reality the issue in question is regarding one building, with one roof and with one instance of damage to be considered. So I think the findings of the loss adjuster, along with the instructing insurer's settlement of the neighbour's claim, are highly relevant to my consideration of Mr B's complaint. And I think findings reached following a physical assessment are more persuasive than those reached based on considering photographs.

From detail provided the loss adjuster spent quite some time in the loft of the neighbour's property. QIC's original assessor did not enter Mr B's loft, and, as mentioned, the surveyor did not visit the property. The loss adjuster also reviewed the estimate presented by the builder, detailing necessary repairs and the cost of the same. An extract of his report which the insurer has been prepared to share, says "the claim relates to Storm damage sustained as a result of the high winds experienced which have lifted the roof structure and the roof trusses have shifted causing them to move forward and impact with the external brickwork to the front elevation". And: "the estimate was found to be reasonable in terms of both scope and cost". The insurer subsequently settled the claim at the full cost of the estimate £23,980 less its policyholder's excess.

I appreciate the surveyor's view, taking into account the photos he saw. But I'm mindful of the lower windspeed he took into account. And whilst he says the loft photos show limited tying in and slipped wall plates – the builders did not suggest that was the case. And I'm satisfied that the loss adjuster, had clear evidence of such been present, would have flagged that, which would likely have impacted the outcome of that claim. I can't say that would definitely have happened. But I think it is most likely as a loss adjuster, in a claim like this, would routinely look for evidence of these types of issues and it would be unusual for an insurer to settle a claim like this where there was clear evidence of on-going structural movement caused by the way the property was built.

Let me be clear, I am not discounting the surveyor's findings, presented late in the claim as they have been. I accept that QIC feels they evidence its decline was fair and reasonable. However, having reviewed everything, I find I am most persuaded by the evidence Mr B has presented. I am satisfied that evidence shows the damage to his property was most likely caused by a storm, which he is entitled to cover for under the policy. QIC has not presented any reason, other than those discussed, for not settling matters as I initially said I thought was fair and reasonable. My suggested award will reimburse Mr B's financial outlay. I've also said QIC should pay £300 compensation for upset. Mr B has clearly spent time challenging its decision – but he got the work done regardless and I am awarding interest to account for the fact he has been without those funds. In the circumstances, I'm satisfied that £300 compensation for upset is fairly and reasonably due."

Mr B said he was happy with my provisional decision. QIC said it disagreed with it.

QIC said:

- The decision by the neighbour's insurer should not influence the outcome of Mr B's claim – not enough is known about the policy and if the claim's been covered as one of storm, the insurer has made a mistake.
- The loss adjuster may be qualified to assess loss but is not qualified to give an expert opinion on the cause of damage to the building.
- Its initial report was not as detailed as it could have been – but the photos taken by the assessor support the report findings.

- The surveyor it appointed in May 2023 provided detailed findings.
- The surveyor is very experienced often providing special witness evidence in court.
- An internet image from 2011 shows “the roof to be in a poor state of repair”.
- Windspeed aside, qualified surveyors have determined the storm was not the cause of damage.
- The property is not at the top of a hill or surrounded by fields and it has another property next to it – so, in its view, it is not exposed.

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’ve carefully considered QIC’s objections to my provisional findings. But, by and large, the points it has made are ones considered by me in reaching my provisional decision. QIC raising them again doesn’t give me cause to change my views. I note QIC’s view about the neighbour’s claim and the loss adjuster’s expertise. But I explained provisionally why I felt it was reasonable, in this specific circumstance, to place weight on that detail and evidence. I’m not persuaded the internet image from 2011 does show the roof was in a poor state. I accept that the property does not sit by itself so, in that sense, I can see why QIC might not consider it to be exposed. However, photos presented by Mr B from the top of the scaffold do show it sits in an elevated position.

I remain satisfied by the findings I set out provisionally. They, along with my comments here, now form the findings of this, my final decision.

Putting things right

I require QIC to pay Mr B:

- £300, as reimbursement of ‘make safe’ works, plus interest*.
- £23,730, as reimbursement of the repair cost of £23,980 less the policy excess of £250, plus interest*.
- £300 compensation for distress and inconvenience.

*Interest is at a rate of 8% simple per year and paid on the amounts specified, from the date Mr B paid these sums until settlement is made by QIC. HM Revenue & Customs may require QIC to take off tax from this interest. If asked, it must give Mr B a certificate showing how much tax it’s taken off.

My final decision

I uphold this complaint. I require QIC Europe Ltd to provide the redress set out above at “Putting things right”.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr B to accept or reject my decision before 17 August 2023.

Fiona Robinson
Ombudsman