

The complaint

Mr and Mrs M complain that Admiral Insurance (Gibraltar) Limited (Admiral) unfairly declined a claim for storm damage, under their home buildings insurance policy.

I'll refer to Mr M in my decision for ease.

What happened

On 28 September 2023 Mr M says damage was caused to his property during a storm. He made a claim to Admiral, which it declined. He was told its surveyor had found the damage had happened gradually. And that its definition of storm conditions hadn't been met at the time the damage occurred.

A contractor Mr M appointed told him the skylight window where rainwater had entered his property, had been fitted poorly. He advised Admiral of this and was told faulty design and poor workmanship were excluded from cover. Mr M didn't think this was fair and complained.

In its final complaint response Admiral says the damage was caused by a natural breakdown of materials. As well as rainwater ingress over a period of time. It says these are classed as gradually operating causes. Both of which are excluded from cover under its policy terms. Admiral says the weather data on the loss date showed maximum wind speeds of 35mph and maximum rainfall of 2.9mm per hour. It says this doesn't meet its storm definition.

Mr M didn't accept this outcome and referred the matter to our service. Our investigator upheld his complaint in part. She says the weather data showed a period of heavy rain leading up to the damage Mr M reported. This level of rainfall doesn't meet Admiral's definition for a storm. But she thought it was heavy enough to reasonably show storm conditions occurred. However, she agreed with Admiral that the underlying cause of the damage was due to a gradual cause. This meant it could reasonably decline the claim for storm damage.

Our investigator considered whether Mr M's accidental damage cover applied here. She thought it did. She says there wasn't clear evidence or expert opinion of on-going water ingress prior to the incident. Because of this she thought the storm was the dominant cause of the internal damage. She says Admiral should accept the claim for the internal damage under an accidental damage cause.

Mr M accepted our investigator's findings. Admiral didn't respond. As an agreement wasn't reached the matter has been passed to me to decide.

I issued a provisional decision in April 2024 explaining that I was intending to not uphold Mr and Mrs M's complaint. Here's what I said:

provisional findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so my intention is to not uphold Mr M's complaint. I'm sorry to disappoint him but I'll explain why I think my decision is fair.

There are three questions we take into consideration when determining whether an event can be classed as a storm. These are:

- 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 a storm typically causes?*
- Were the storm conditions the main cause of damage?*

If any of the answers to the above questions are no then an insurer can generally, reasonably decline the claim.

Mr M's policy terms define a storm as:

"Wind with gusts of at least 48 knots (55mph), heavy rainfall at a rate of at least 25mm per hour.."

I've checked the data from a weather station closest to Mr M's home on the day he says the damage occurred. Gusts up to 35mph were recorded with a maximum hourly rainfall of 2.9mm. Based on Admiral's definition, the wind speed and hourly rainfall didn't meet the criteria for a storm.

I agree with Admiral that the wind speeds recorded on the day of the loss weren't of storm strength. I've looked at the previous week's weather data. This shows a maximum gust of 40mph. Based on this I don't think storm force winds were experienced. However, Admirals definition of what constitutes a rainstorm appears unreasonable. The weather data I've seen shows that just over 30mm of rain fell around the time the damage was noticed. I think this level of rainfall is extreme enough to be classed as a wet storm. So, although this doesn't meet Admiral's definition I'm satisfied that there were storm conditions around the time Mr M's loss occurred. So, the answer to question one is yes.

Rainwater ingress that causes damage to walls and ceilings is something typically associated with damage caused by a rainstorm. So, the answer to question two is also yes. The final question I need to be satisfied with is that the storm conditions were the main cause of the damage. To understand if this was the case I've read the surveyor's report that Admiral provided. The surveyor says:

"The claim has been declined in full.

En-suite bathroom: When the surveyor inspected the ceiling he observed that the damage was caused by Rainwater ingress over a period of time.

Utility room: When the surveyor inspected the ceiling he observed that the damage was caused by Rainwater ingress over a period of time.

External: When the surveyor inspected the main roof he observed that the damage was caused by Natural breakdown of materials."

I've looked at the photos the surveyor included in his report. This shows the timber panelling beneath the leaking skylight window. The timbers show signs of significant water damage, that appears to be longstanding. Water damage to the ceiling in the utility room is also apparent from the photos. There is significant staining, which again appears to have been

present for some time.

I've also looked carefully at the photos the surveyor took externally using a pole/selfie stick. I think these reasonably support the view that the skylight window frame and the surrounding section of roof was suffering from a natural breakdown of materials.

I've also note Mr M's comments that the contractor he employed told him the skylight window had been installed poorly, which resulted in rainwater ingress. I note his comments that the window was installed before he bought the property and is positioned so that it's difficult to observe. I accept Mr M's comments that he wasn't aware that the window had been installed to a poor standard. But I don't think this is relevant to his claim.

Mr M's policy terms say:

"We will not cover you for or be liable for any of the following:

Gradual causes

Any loss or damage caused by anything that happens gradually, including wear and tear, wet and dry rot, or damage due to exposure to sunlight or atmospheric conditions, settlement, mildew, rust or corrosion."

And:

"Faulty design

Any loss or damage caused by faulty design, inadequate or inaccurate plans or specifications, faulty materials or poor workmanship."

Having considered this evidence, the underlying or main cause of the damage wasn't the storm. It was due to a gradual deterioration of the skylight window and the surrounding materials. This allowed rainwater ingress over time, which caused the damage.

A well-maintained property should be able to withstand the impact of a rainstorm. What the evidence shows is that there was an existing weakness with the skylight window. This has been further highlighted by the storm. But the storm wasn't the main cause of the damage. This means the answer to question three is no. This means Admiral acted reasonably when declining Mr M's claim for storm damage.

I've thought about whether the accidental damage cover Mr M's policy includes should provide for any part of the loss he's claimed. His policy defines accidental damage as: "Sudden, unexpected and visible loss or damage which has not been caused deliberately".

I acknowledge our investigator's comments that the water damage that occurred during the storm was sudden, unexpected, caused visible damage, and wasn't deliberate. She didn't think there was clear evidence or expert opinion of on-going water ingress prior to the storm. So, she considered the storm was the dominant cause of the internal damage. And that Admiral should accept Mr M's claim for the damage caused internally.

I don't agree with our investigator here. Mr M does have accidental damage cover. But I think it's clear there was extensive damage to the wood panelling, and to the ceiling and walls more generally, which occurred overtime. This is what the surveyor identified in his report. The photos show the internal timber panelling has signs of longstanding deterioration from rainwater ingress. As do the areas of ceiling and walls where the plaster/paintwork is severely stained.

I can see from the video evidence Mr M provided that more rainwater was able to enter through the skylight as a result of the storm. This shows drips of water from the skylight window. But I haven't seen clear evidence that shows damage was caused suddenly by the storm that hadn't already resulted from gradual rainwater ingress overtime.

I've read the estimate Mr M provided from the joiner and decorator he approached regarding the repairs needed to his home. This says the roof slates need removing and then refitting once a new velux window is installed. All internal timber cladding damaged by water ingress is to be stripped and replaced. Walls are to be fitted with plasterboard. The decorator estimate is to, "tape, fill and paint ceiling and skylight". But I don't think this shows damage was caused suddenly, or that Admiral should pay for the repairs.

Having considered all of this, I don't think Admiral treated Mr M unfairly when relying on its policy terms and conditions to decline his claim for storm damage. I'm not persuaded that damage happened suddenly that reasonably falls within Mr M's accidental damage cover either. So, I can't fairly ask Admiral to do any more.

I said I was intending to not uphold Mr and Mrs M's complaint.

I asked both parties to send me any further comments and information they might want me to consider before I reached a final decision.

Admiral responded to say it accepted my provisional findings.

Mr M responded to say his house is 152 years old. This means there will always be wear and tear present. He says it's impossible to be aware of every part of the building that might show signs of wear. Mr M says that aside from paying for a building survey every year, he doesn't see how he could be aware of all issues of wear and tear on his property.

Mr M says there were no noticeable signs of damage to the ceiling prior to the storm. Had there been he says he would have arranged for the repairs.

Mr M says the wood panelling was covered by the extractor fan making it difficult to access and identify the slow degradation of materials in this area.

In his response Mr M refers to the conservation area in which his property is situated. He says this makes it more difficult to maintain his property than one that isn't within a conservation area.

Mr M queries how a quote for repairs can show how quickly damage occurred. He says he's asked what it would cost to have a policy with Admiral that doesn't contain the exclusions it applied in his claim. He says it responded to say these exclusions can't be removed irrespective of the premium paid. Mr M says this ties in with his point that its impossible to be aware of all areas of his home that might be showing signs of wear.

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.

Having done so I'm not persuaded that a change to my provisional findings is warranted. I'm sorry Mr and Mrs M had to arrange for repairs to their home. But I don't think this is something Admiral is responsible for.

I acknowledge what Mr M says about the age of his property. But his policy doesn't cover every eventuality. The policy terms and conditions are clear that any damage that has occurred due to a gradual cause, isn't covered. I accept Mr M's comments that he wasn't aware that parts of his house had been damaged due to a gradual cause. But this doesn't mean Admiral is responsible for arranging repairs of these areas.

Mr B refers to the storm damage having caused the damage. He says this wasn't noticed until after this had occurred. But as discussed in my provisional decision there are clear signs of longstanding water ingress causing damage internally. This was highlighted by the surveyor that assessed Mr M's claim and is supported by the photos that were taken.

I acknowledge Mr M's point about the extractor fan and the obscured position of some of the internal damage caused by water ingress. But him being unaware of damage that had been caused gradually doesn't mean the exclusions Admiral relied on shouldn't apply.

With regards to Mr M's query about the quotes he received – the contractor's he approached could've provided persuasive opinion on the cause of the damage and when this occurred. It's important that I considered this information. But I didn't think it included information that showed Admiral should cover Mr M's claim.

For these reasons and the reasons set out in my provisional decision, I don't uphold Mr and Mrs M's complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs M to accept or reject my decision before 29 May 2024.

Mike Waldron
Ombudsman