

The complaint

Mr P has complained that Admiral Insurance (Gibraltar) Limited ('Admiral') declined his claim for storm damage under his home insurance policy. For the avoidance of doubt, 'Admiral' includes reference to its agents and representatives in this decision.

What happened

Mr P's home suffered ingress of water at multiple points in January 2024. He submitted a claim to Admiral as his home insurer at the relevant time, as he considered that the leaks were due to storm damage to the roof of his property over the winter period.

Admiral arranged for the property to be inspected at the end of February 2024 but concluded that there was no evidence of storm damage. It considered that the damage was due to a breakdown of materials and that the water ingress had occurred over time, so that a '*gradual cause*' policy exclusion applied. Admiral also declined the claim for the internal damage as it said this had also been caused by water ingress over time and so excluded under the policy. Mr P was unhappy with Admiral's decision to decline his claim and he made a formal complaint. However, Admiral maintained its decision to decline the claim.

In the circumstances, Mr P referred his complaint to this service as he wanted the cost of the works, of just under £4,500, to be covered by Admiral. The relevant investigator didn't uphold Mr P's complaint as, in her view, the damage fell within Admiral's '*gradually operating causes*' exclusion. She therefore considered that Admiral had declined Mr P's claim fairly, and in line with the terms of the insurance contract. As to Mr P's subsequent suggestion that the policy had been mis-sold to him, the investigator explained that Mr P would need to firstly raise this point with Admiral as a fresh complaint.

Mr P was unhappy with the outcome of his complaint 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 in this case is whether Admiral fairly and reasonably applied the terms of the relevant policy in declining Mr P's claim for storm damage. I can't say that Admiral approached the matter in an unfair or unreasonable manner, and I therefore don't uphold the complaint. I'll explain my reasons for this decision.

In reaching my decision, I've carefully considered the submissions of the parties as summarised below. I firstly turn to Mr P's submissions. He wanted a fair compromise to be reached as regards what would be covered. Mr P said his contractor determined the points of ingress by rainwater as being loose and shifted or lifted tiles, a broken ridge tile and missing and broken masonry or pointing. He provided photographic evidence to show the repair work which had been carried out. This also showed a bitumen coating which Mr P had

himself applied shortly after discovering the leak in an emergency attempt, to stop further water ingress until better weather allowed inspection and repair.

Mr P felt that the damage had obviously occurred during a brief spell of extreme weather over the winter, as the roof was fine. In conclusion, Mr P felt angered and frustrated that the insurance he'd paid for didn't cover him in circumstances when it was needed. He felt severely let down as a customer and he also felt that he'd been miss-sold his home insurance policy as it didn't cover what it was supposedly meant to cover.

I now turn to Admiral's submissions in response to Mr P's complaint. It relied upon the report issued following its surveyor's inspection. This was accompanied by photographs of the roof of Mr P's home and the internal damage. The surveyor advised that there was no evidence of storm damage to the roof and evidence of a previous bitumen repair. As such, he considered that the damage wasn't consistent with expected damage from storm conditions. The report concluded that the damage was due to the natural breakdown of materials, being a '*gradual cause*' as per the policy. The report also concluded that the internal damage had occurred after water had been entering over time and so, was excluded under the policy.

Admiral stated that the policy provided insurance for '*one-off events*', and although it was satisfied that storm conditions had been present at one stage, with winds of 62 mph, this had only highlighted an existing issue. Admiral added that it was aware that Mr P was obtaining a detailed cause of damage report and photographs when the repairs took place, and it said that this would be assessed by the claims team when received.

I now turn to my reasons for not upholding Mr P's complaint. The starting point is the policy wording, as it forms the basis of the contract between the insurer and the policyholder. Unfortunately, home insurance policies don't cover for all eventualities. It covers certain perils, subject to some standard conditions and exclusions. In this case, I see that the policy does, in principle, cover damage caused by a storm event. The policy also has an exclusion regarding '*gradual causes*' and these are defined as '*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.*'

In deciding whether storm conditions are the cause of damage (and therefore covered by the policy) in any particular case, this service adopts a three-stage approach. Firstly, it considers whether storm conditions occurred on or around the date the damage was said to have happened. Secondly, we ask whether the damage is consistent with damage typically caused by a storm. Thirdly, and this is often the crucial question, the service then goes on to consider whether the storm conditions were the main cause of the damage.

Admiral have acknowledged that storm conditions did occur on or around the time at which the damage occurred, and that this included very high winds of 62mph. Secondly, I'm satisfied that damage caused by ingress of rain can sometimes be consistent with storm damage, however damage to the roof itself would normally lead to some more obvious structural damage than that demonstrated in the photographic evidence here. I have however proceeded on the assumption that the damage could be consistent with damage that a storm could theoretically cause.

I therefore turn to the third and crucial question to determine whether, on the balance of probabilities, the damage in this case was caused by a one-off storm event, or whether the storm simply highlighted a pre-existing problem.

Unfortunately, in this case, the roof photographs attached to the report of Admiral's surveyor are not particularly clear. However, the photographs which were subsequently sent by Mr P

do clearly show that the condition of the chimney brickwork and mortar is deteriorating and ageing, and that further maintenance ongoing maintenance will clearly be required in due course. From the quotation supplied to Mr P, it does appear that the contractor has concentrated his efforts on this chimney area. On the balance of probabilities, I conclude that this area was suffering from gradual wear and tear.

I appreciate that Mr P has also referred to shifted or lifted tiles and a broken ridge tile. If these elements were also damaged, and had simply been omitted from the quotation, I consider on the balance of probabilities that this was also due to wear and tear and the need for general maintenance. This is supported by Admiral's report which references '*natural breakdown of materials*'. Likewise, I consider that the internal water leak damage had also occurred over time and due to the failing elements of the roof and chimney structures.

As for the emergency repair carried out by Mr M which involved adding a bitumen seal, I can understand and appreciate the reasons for him carrying out this repair in order to mitigate the damage, however this doesn't change my conclusion as to the likely cause of damage.

In conclusion, I consider that there were two factors at play, namely wear and tear/gradual cause as well as storm conditions. However, I must decide which of these two factors was the predominant factor. In view of the available expert and photographic evidence, I'm persuaded that wear and tear/gradual cause was the predominant and underlying issue. Unfortunately, poor weather and storm conditions are likely to highlight such an issue, and so leaks are then likely to become more and more regular and obvious. In the circumstances, Mr P has clearly acted in a responsible fashion by taking prompt and necessary action to repair his roof and chimney. However, unfortunately for Mr P, I can't say that Admiral acted in an unfair or unreasonable manner in declining to cover the cost of this damage under his home insurance policy.

I also note that Admiral has left it open for Mr P to provide a detailed '*cause of damage*' report from his own expert for Admiral's condition. I consider that it was fair and reasonable for Admiral to offer this option in the event that Mr P's expert is able to point to persuasive evidence of clear storm damage, and this remains a course of action which Mr P may choose to adopt.

In conclusion, I appreciate that this decision will come as a disappointment to Mr P as he felt strongly that the damage should be covered by his policy. However, I hope that this decision goes some way to explain the relevant principles which need to be considered in relation to storm damage insurance claims.

My final decision

For the reasons given above, I don't uphold Mr P's complaint and I don't require Admiral Insurance (Gibraltar) Limited to do any more in response to his complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 12 November 2024.

Claire Jones
Ombudsman