

The complaint

Mr O complains about Accredited Insurance (Europe) Ltd (Accredited) declining a claim under his home insurance policy for storm damage to his property.

References to Accredited include their agents who administer the policy and assess claims.

What happened

In October 2023 Mr O contacted Accredited to tell them his property had suffered damage during bad weather. He found a leak through his living room ceiling, coming down the chimney. He initially contacted the home emergency provider under that section of the policy, but they said they couldn't assist as Mr O couldn't say what was the source of the leak. Mr O then contacted Accredited, but their offices were closed so he completed an online claim form to tell them about the leak.

Accredited contacted Mr O to tell him they would send a surveyor to the property to assess the damage. While awaiting the visit, the living room ceiling collapsed. Mr O thought if Accredited authorised a temporary repair, the collapse could have been avoided.

When the surveyor visited, Mr O said he told him he couldn't see any evidence of storm damage (such as missing tiles) so thought Accredited would decline the claim. However, a few days after the visit, some relatives visited and told Mr O there were missing tiles along the side of a Velux window in the roof. The relatives effected a temporary repair. Mr O challenged Accredited about what had happened, providing photographs of the missing tiles.

Accredited treated the challenge as a complaint (a 'decline dispute') but didn't uphold it. In their final response they said the data on weather conditions on the date of the incident – a highest wind speed of 31mph and total rain recorded of 4.6mm - didn't meet the policy definition of a storm. They also referred to the report from their surveyor stating no storm damage to the roof and a previous repair to flashing on the Velux window. As there was no storm damage (or storm conditions) the bad weather simply highlighted an existing defect. Accredited also referred to internet pictures of the roof in 2019, showing flash banding around the window, which should only have been a temporary repair. Accredited referred to the policy General Exclusions which they said supported decline of the claim, as the damage wasn't the result of a one-off, storm event.

Mr O then complained to this Service. He disagreed with Accredited's decline of his claim and the reasons they gave. He'd paid relatives for a temporary repair to his roof, but he needed it fixed permanently, as well as the damaged ceiling and other water damage. He'd had to live in a damaged property, and this was very stressful. He was also unhappy at the time taken by Accredited to provide information to enable him to challenge their decline of his claim and their treating his request for their reasons declining his claim as a complaint when he hadn't prepared his complaint. He wanted Accredited to accept and settle his claim in full and their contactors carry out repairs. He also wanted an apology and significant compensation for the distress from what happened.

Our investigator upheld the complaint, concluding Accredited hadn't acted fairly. Based on data from the weather service used by this Service, from a station close to Mr O's property, she concluded the wind speed around the time of the incident was 55mph, which would constitute storm conditions. She also thought the evidence indicated tiles missing from the side of the Velux window had been blown off by the storm. However, it wasn't clear whether the storm was the main cause of the damage, so she thought Accredited should send another surveyor to assess whether the storm was the main cause of the damage.

On other issues raised by Mr O, the investigator concluded it wasn't necessary for Mr O to get Accredited's permission to make a temporary repair to make his property watertight. On the time taken to assess (and decline) the claim, the investigator thought Accredited's offer of £200 compensation for distress and inconvenience was reasonable, which they should pay Mr O.. And while Accredited's in-house surveying team provided further comments on the condition of the roof, this was to be expected where Mr O had challenged the initial decline of the claim (based on the surveyor's report).

Accredited disagreed with the investigator's conclusions and asked an ombudsman review the complaint. They said their weather data was based on satellite sources that provided information on windspeed at the postcode of Mr O's property, so was more accurate. They didn't agree there were storm conditions at the time of the incident, and the windspeeds weren't sufficient to cause the type of damage to the roof, had it been in good condition. They said the lifted tiles weren't visible at the time of the surveyor's visit. Accredited said they considered the roof to be in poor condition, evidenced by the flash band around the Velux window (installed in 2019) and no further maintenance or repairs.

In my findings, I provisionally concluded Accredited hadn't acted fairly and reasonably towards Mr O in declining the claim.

On the other issues raised by Mr O, on the point that the home emergency provider didn't assist Mr O when he contacted them about the leak, as Mr O's complaint was against Accredited as the insurer of his home insurance policy, this wasn't something I could consider in my decision.

On the point Mr O wasn't able to contact Accredited to obtain authorisation for temporary repairs to his roof, the policy provided for temporary repairs to be carried out to reduce any further damage from an incident. So, Mr O didn't need to obtain authorisation to make a temporary repair. And had a temporary repair been authorised and the collapse of Mr O's ceiling potentially avoided, Mr O could have affected a temporary repair as soon as he first noticed the leak.

Mr O said he wasn't formally notified his claim had been declined. But the surveyor report indicates he was told (by the surveyor) the claim would be declined. Overall, I thought Mr O should reasonably have been aware of the decline of his claim.

On the time to decline the claim and provide Mr O with information to articulate his detailed complaint, I thought Mr O was reasonably aware of the decline (or at least its likelihood) soon after the incident. Accredited acknowledged their review of the decision took longer than expected. They offered £200 compensation in recognition of the delay, which I thought is fair and reasonable in the circumstances of the case.

Whether Accredited advised Mr O to make repairs at his own expense, Accredited initially told Mr O not to make permanent repairs before the surveyor visit as this would prevent the surveyor from assessing the damage and validating the claim. This is what I would have expected them to do and was reasonable. There was no indication it was a ploy to get Mr O to make repairs (with the intention of then repudiating them should they change their decision to decline the claim).

As I didn't think Accredited had done enough to show it was fair to apply the exclusion for gradual operating cause to decline the claim, I thought they should re-assess the claim in line with the remaining terms and conditions of the policy.

On the question of compensation, I thought Accredited's offer of £200 in the specific circumstances of the case was fair and reasonable, and they should pay the sum to Mr O (if they hadn't already done so).

Because I reached different conclusions in some respects to 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 Accredited have acted fairly towards Mr O.

The main element of Mr O's complaint is that Accredited unfairly declined his claim, on the grounds that there weren't storm conditions at the time of the reported damage and the damage wasn't consistent with a one-off storm event. The damage to the roof was due to wear and tear (gradually operating cause). Mr O contends the damage (missing tiles at the side of the Velux window) wasn't picked up by Accredited's surveyor during his visit to the property and the bad weather caused the tiles to detach.

I've also considered other issues raised by Mr O in a complaint to Accredited subsequent to their final response, to which Accredited responded as part of this Service's investigation.

Starting with the main issue, the decline of his claim, as Mr O contends the damage was caused by a storm, I've looked at this aspect first. In considering this issue, whether the damage resulted from a storm, 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, Accredited refer in their final response to weather conditions at the time of the reported damage not meeting the policy definition of a storm. The definition they cite is as follows:

“Storm

A period of violent weather defined as:

- a. *A gale of Force 10 or above (as defined under the internationally recognised Beaufort Scale) reaching wind speeds of at least 55 mph; or*
- b. *Torrential rain that falls at a rate of at least 25mm per hour; or*
- c. *Snow that falls to a depth of at least 30cm in 24 hours; or*
- d. *Hail so severe that it causes damage to hard surfaces or breaks glass.”*

Accredited's final response refers to a highest wind speed on the date of the incident of 31mph and total rain recorded of 4.6mm. They've also supplied weather data for the period leading up to the date Mr O notified the loss, with maximum gusts of 40/41 mph on two occasions in the preceding fortnight. I've also looked at the weather data from the weather source we use as a Service. Data from the nearest weather station to Mr O's property (three

miles distant) indicates a maximum gust of 48 mph on the day Mr O reported the damage to Accredited; 55 mph fifteen days before the date; and 52 mph a week before the date. Rainfall on the date Mr O contacted Accredited is shown as 2.6mm (but at a station 19 miles from his property).

While the data sources provide differing indications of the weather conditions leading up to the date Mr O reported the damage, that from the weather source indicates storm conditions (windspeed) reaching the threshold in the policy definition in the period leading up to the date the damage was reported. So, I've concluded, on balance, there were storm conditions on or around the date of the incident.

Having reached this conclusion, I've then considered the second and third questions. While the damage might be consistent with damage in a storm, I've considered the most likely cause based on the evidence and information provided by Mr O and by Accredited. Starting with the surveyor's report, the key findings and conclusions relevant to these questions are as follows:

"External Damage Summary

No storm damage to the roof everything is still in place and flashing hasn't been removed by strong winds. Looks like there had been a previous repair to the flashing on a Velux window."

"The claim for external loss was/should be declined because

There is no storm damage and no storm conditions. The weather has highlighted a defect."

Following Mr O's challenge of the decline, Accredited's in-house surveyor team reviewed the case and stated:

"Reviewed decline dispute...

The policyholder has now provided photos showing a gap between the roof tiles and the Velux window where they believe tiles were blown off as a result of the storm. Following review, I am maintaining the claim decline, there is already clear evidence of a previous issue with the Velux window with flash band present around the window, the flash band would only ever be a temporary repair and lead flashing should be applied as a permanent resolution.

From review of Google maps, we can see that the flash band has been in place for as long as 2019. Furthermore, I have reviewed weather conditions at the time of loss which have not met storm conditions, wind speeds of 20-30mph were noted, I would not expect winds of this speed to have an effect on a well-maintained roof. I would maintain that the recent weather conditions have highlighted an existing issue if in fact the missing tile next to the Velux window is even related to this claim."

The in-house surveying team review also reflects the information (including photographs) provide by Mr O taken after the surveyor's visit. Looking at the photographs available, that from Mr O clearly shows missing tiles adjacent to the side of the Velux window. Looking at the photographs taken by the surveyor, they aren't from the same, direct angle at that from Mr O. But comparing the two and the line of the adjacent tiles in place, I think they do show the tiles missing in both photographs.

That being the case, it's not clear why this wasn't included in the surveyor's report. The in-house surveying team quote acknowledges the missing tiles (from Mr O's photograph) but questions whether the missing tiles were related to Mr O's claim. However, I'm not persuaded by this contention, given my conclusion about the presence of the missing tiles in both photographs.

Missing tiles are something we'd typically see in periods of bad weather, particularly those involving high winds, so I've concluded the answer to the second question, on balance, would be 'yes'.

The key question is therefore the third one, whether the storm conditions were the main (or dominant) cause of the damage.

Accredited say the damage wasn't the result of a one-off storm event, but the result of existing issues with the roof. And in their final response, Accredited refer to policy exclusions, in the General Exclusions section of the policy, where there are the following exclusions:

"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)...*
- costs that arise from using or maintaining your buildings and contents normally."*

IA similar exclusion for 'anything that happens gradually' is contained in the Storm section.

Accredited refer to the presence of a flash banding around the Velux window in question, noting (from pictures available on the Internet) its presence back in 2019. And that such a banding should only have been a temporary repair, and lead flashing applied as a permanent repair. Looking at the photographs of the roof, I can see what appears to be lead flashing at the base of the other Velux windows, compared with the lighter shade banding at the base of the Velux window adjacent to the missing tiles. However, the banding is still in place and hasn't obviously been dislodged or frayed. So, I'm not persuaded it's likely to have been the source of the leak – the missing tiles would be a more likely source of the leak.

Accredited also refer to issues with the condition of the roof more generally (such as moss growth) but looking at the photographs, there are no other obvious issues with the roof apart from the missing tiles. So, I'm not persuaded by Accredited's view on this point.

I've also considered the 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 leading up to the reported damage, and the damage is consistent with that expected in a storm, I think it's reasonable to conclude there was an insured event (storm) that caused damage.

But where an insurer relies on an exclusion in the policy to decline a claim (as Accredited have done) then the onus is on them to show the exclusion applies. Looking at the available information and evidence and my conclusions above, I'm not persuaded Accredited have done enough in the circumstances of this case to show it was reasonable to apply the exclusion to decline the claim.

Taking all these conclusions into account, I've provisionally concluded Accredited haven't acted fairly and reasonably towards Mr O in declining the claim.

I've then considered the other issues raised by Mr O in turn.

First, that the home emergency provider didn't assist Mr O when he contacted them about the leak. Under the terms of the policy, the insurer of the home emergency section of the policy is a separate business to Accredited. As such. Given Mr O's complaint is against Accredited as the insurer of his home insurance policy, this aspect isn't something I can consider in this decision.

Second, that Mr O wasn't able to contact Accredited to obtain authorisation for temporary repairs to his roof. However, the policy terms and conditions provide for temporary repairs to be carried out to reduce any further damage from an incident (though not a permanent repair). So, Mr O didn't need to obtain authorisation to make a temporary repair.

Third, that had a temporary repair been authorised – and awaiting the surveyor's visit - the collapse of Mr O's ceiling might have been prevented. As noted above, Mr O didn't need authorisation to effect a temporary repair to secure his roof. So, he could have effected a temporary repair as soon as he first noticed the leak. Accredited also told Mr O he could engage a contractor to make the ceiling safe (after its collapse) and the property watertight.

Fourth, that Mr O wasn't formally notified his claim had been declined. The surveyor report indicates Mr O was told (by the surveyor) the claim would be declined. Mr O says the surveyor said he would receive a decision in writing following the visit and his report being considered by Accredited. Accredited acknowledge there may have been misunderstanding of the decision process but did carry out a review of the claim when Mr O challenged the decline – the quote above from the in-house engineer indicated he had seen the further evidence from Mr O (including the photographs of the roof and missing tiles). Overall, I think Mr O should reasonably have been aware of the decline of his claim.

Fifth, the time to decline the claim and provide Mr O with information to articulate his detailed complaint. Looking at the timeline of events, the initial surveyor visit was four days after Mr O first notified Accredited of the incident. And the surveyor indicated the claim was likely to be declined during the visit. So, I think Mr O was reasonably aware of the decline (or at least its likelihood) soon after the incident. Accredited acknowledge their review of the decision (by the in-house engineer) took longer than expected due to a significant volume of claims at that time (about four weeks from receiving the surveyor's report to review the claim and confirm the decline). They've offered £200 compensation in recognition of the delay, which I think is fair and reasonable in the circumstances of the case.

Sixth, that Accredited advised Mr O to make repairs at his own expense. Mr O believes this was deliberate, so that if his claim was subsequently accepted, Accredited could say repairs hadn't been authorised and so (as permanent repairs) wouldn't be covered. Accredited say they didn't advise Mr O to proceed with permanent repairs. Looking at the webchat between Mr O and Accredited (provided by Mr O when he made his complaint to this Service) I can see Accredited initially told Mr O not to make permanent repairs before the surveyor visit as this would prevent the surveyor from assessing the damage and validating the claim. This is what I would have expected them to do and is reasonable.

Further on, the webchat indicates Accredited telling Mr O on two occasions that as the claim had been declined (subject to appeal) it would be his responsibility to rectify any issues with the property. While Mr O may see this as Accredited advising him to make permanent repairs, it's a factual statement of the position where a claim is declined. And there's no

indication it was a ploy to get Mr O to make repairs (with the intention of then repudiating them should they change their decision to decline the claim).

Seventh and eighth, that Accredited's surveyor made a mistake in not observing the missing tiles alongside the Velux window and that the subsequent review of the decision to decline the claim gave different reasons for the decline to those provided by the surveyor. Looking at the extracts from the surveyor report and the comments from the in-house surveying team, both refer to the absence of storm conditions and the damage not being the result of a storm. While the in-house surveying team provide more detailed reasons for the decline, I don't think this is unreasonable where a second opinion had been sought. And I'd expect the in-house surveying team to provide their own observations taking account of all the available evidence, which in this case is the surveyor report and photographs taken during the visit, together with the evidence and information provided as part of Mr O's challenge.

Coming back to my provisional conclusion Accredited haven't acted fairly and reasonably towards Mr O in declining the claim, I've thought about what Accredited should do to put things right.

As I don't think they've done enough to show it was fair to apply the exclusion for gradual operating cause to decline the claim, I think they should re-assess the claim in line with the remaining terms and conditions of the policy.

On the question of compensation, I've considered Accredited's offer of £200 in the specific circumstances of the case and the guidelines on awards for distress and inconvenience published by this Service. Having done so, I think Accredited's offer is fair and reasonable, and they should pay the sum to Mr O (if they haven't already done so).

My provisional decision

For the reasons set out above, it's my provisional decision to uphold Mr O's complaint. I intend to require Accredited Insurance (Europe) Limited to:

- Re-assess the claim in line with the remaining terms and conditions of the policy.*
- Pay Mr O £200 compensation for distress and inconvenience (if they haven't already paid the sum).*

Mr O replied to say he was happy with the provisional decision but had three further points.

First, he spoke to a builder at the time who told him it wasn't cost effective to effect a temporary repair as the [significant] cost of scaffolding would be duplicated when a permanent repair was made. His relatives had effected a temporary repair without the use of scaffolding. He thought Accredited would be aware of the cost effectiveness point and taken into consideration.

Second, he was concerned at Accredited reassessing the claim as it was now some ten months after the damage occurred and he wasn't sure what their surveyor would be able to see and assess. He was concerned Accredited would decline the claim on the basis the temporary repair had made the roof waterproof, and everything had dried out.

Third, as Accredited rejected our investigator's view, he'd suffered further weeks of distress and discomfort. He thought they should be penalised for this by increasing the level of compensation for distress and inconvenience.

Accredited also responded, making several points.

They didn't disagree water entered the property via the missing section of tiles and not from the flash banding around the Velux window. But they thought the flash banding was an indication of previous issues with the roof and its general condition. The slipped tiles were in the same area of the Velux window that had a temporary repair, which didn't seem to be a coincidence. So, they considered the gradual deterioration exclusion would apply.

On the storm criteria for wind speeds being met in the weeks leading up to the claim, while that may have been the case, they wouldn't expect a roof in good condition to incur damage from the wind speeds mentioned in the provisional decision. They referred to the wording of the storm peril within the policy:

"Properties are designed to withstand all but the most extreme weather conditions. Damage caused by normal weather conditions is not covered by this policy, as normal weather conditions should not cause damage to a well-maintained property."

They didn't consider the wind speeds mentioned to be 'extreme'.

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 Accredited acted fairly towards Mr O.

I've considered each of the points raised by Mr O in turn.

On his first point, I note what he says about a temporary repair, but while he was able to effect a repair through relatives, I don't think it affects my conclusion Accredited should re-assess the claim in line with the remaining terms and conditions of the policy. Which would entail a potential permanent repair should Accredited accept the claim. I also recognise (his second point) that any assessment would, necessarily, involve assessing the roof and its condition now. As a Service, we aren't claims assessors, that's the role of Accredited (and their agents). I would expect Accredited to assess the claim fairly and reasonably, as they would for any claim.

On the third point about compensation and Accredited challenging our investigator's view, our role as service isn't to punish businesses where we think they've acted unfairly or unreasonably. It's to set out what we think they should do to put things right. Necessarily, investigating a complaint takes time and follows an impartial process to reach a decision. It's fair to allow both the consumer and the business the opportunity to present evidence and information they think relevant to the complaint.

And for both parties to have the opportunity to challenge findings of our investigation (and request an ombudsman review a complaint if they disagree with an investigator's findings and conclusions). As a Service, we wouldn't seek to penalise a business for exercising their right to challenge, any more than we would if a consumer were to challenge. So, I won't be changing the compensation I've concluded would be fair and reasonable simply because Accredited exercised their right to request an Ombudsman review.

Turning to the points raised by Accredited, on the flash banding and it being indicative of issues with the Velux window, the photographs of the roof show the banding (at the base of the window) to be still in place and not dislodged or frayed. And Accredited don't dispute the water entered through the area of missing tiles – not the flash banding. So, while it may have been a temporary repair, it wasn't the cause of the damage and the water entering. And as I said in the provisional decision, the photographs don't indicate any issues with the condition

of the roof other than the missing tiles. So, while the missing tiles may be adjoining the Velux window, there's no evidence any issues with the window caused them to slip. So, I don't agree it's reasonable to conclude gradual operating cause applies.

On the issue of wind speeds, Accredited acknowledge the policy criteria for windspeeds was met, as the provisional decision sets out. I think this is the more relevant fact, rather than the other reference cited by Accredited which simply refers to 'extreme' weather conditions – which the statement doesn't define. And as I've said above, while there was a flash banding at the base of the Velux window, it wasn't the cause of the water entering or the damage and there were no other indications of pre-existing issues with the roof.

So, I haven't changed my view on these issues, and my final decision remains the same as my provisional decision.

My final decision

For the reasons set out above, it's my final decision to uphold Mr O's complaint. I require Accredited Insurance (Europe) Limited to:

- Re-assess the claim in line with the remaining terms and conditions of the policy.
- Pay Mr O £200 compensation for distress and inconvenience (if they haven't already paid the sum).

Accredited Insurance (Europe) Limited must pay the compensation within 28 days of the date we tell them Mr O accepts 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 Mr O to accept or reject my decision before 6 September 2024.

Paul King
Ombudsman