

The complaint

Miss J and Mr J complaint about Accredited Insurance (Europe) Ltd (“Accredited”) for declining their claim for storm damage to their home, along with failings in customer service. They want Accredited to settle the claim in line with the policy terms.

What happened

Miss J and Mr J held buildings insurance with Accredited. Their home is a 1920s building which had a rendered surface on a gable end of the property.

In December 2023, during storm conditions, a section of render was lifted from their wall and landed on the porch roof below, causing damage. The section coming away left the brick surface underneath exposed.

They submitted a claim to Accredited.

Accredited acknowledged that storm conditions had been present in the area of their home on the relevant date and sent a surveyor to assess the damage.

The surveyor attended around 9 days later. They prepared a report.

This report noted that the property was in a fair state of repair. It noted that there were signs of previous repairs and some cracking to the render surface (although the cracks were observed after the storm conditions). The survey considered that there had been de-bonding of the render from the brick surface underneath and the storm had simply highlighted that the render was coming to the end of its life.

This report was reviewed by an in-house surveyor and, based on the report, Accredited declined the claim. It relied on general exclusions in the policy wording for damage caused by wear and tear, or damage which occurs over time.

Miss J and Mr J were not happy with this and contacted us.

Our investigator looked into this matter and set out their view. While this process was ongoing, Accredited offered compensation of £150 to reflect that it accepted that Miss J and Mr J had received a poor customer service, and in particular were kept on hold for long periods.

Our investigator considered that this was a reasonable offer, and that Accredited's conclusions regarding the claim were reasonable, and did not recommend that Accredited do anything further.

Miss J and Mr J did not accept that view and asked for an ombudsman decision.

I issued a provisional decision in relation to this matter in September 2024. In that provisional decision I set out that I disagreed with my colleague's conclusion, and I thought that the complaint should be upheld. I considered that the storm was the main cause of the damage and so the claim should have been accepted. I provisionally directed that

Accredited should settle the claim in line with the policy terms, and pay a total of £250 compensation to Miss J and Mr J to reflect their distress and inconvenience.

That provisional decision has been shared with the parties and they have been invited to comment or provide further evidence.

Miss J and Mr J have responded, indicating that they accept my provisional decision. Accredited has responded disagreeing with my view.

Accredited submits that render in good condition should not be affected by wind, and that render deteriorates over time. They explain that once render is damaged then water gets behind the render, freezes and expands and further de-bonds the render. They submit that the cracks seen at inspection and the signs of previous repair demonstrate that the render was failing before the wind highlighted the issue.

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 have considered the additional comments from Accredited, and these do not affect my provisional decision.

I acknowledge that the render was not new at the time of the storm, that there had been previous repairs and there may have been some signs of wear prior to the storm, but in my view the evidence supports that the surveyor considered the property in a fair state of repair at the time of his visit.

I have not seen evidence that the render was failing prior to the storm. The photographs of cracking were taken after the storm, and I am not satisfied that Accredited has shown that the render failed primarily due to wear and tear.

I do not consider that evidence of previous repairs is sufficient to conclude that the wall was failing, especially in the context of the surveyor describing that the property was in fair condition during his assessment. Evidence of repairs could equally demonstrate efforts to properly maintain the render.

In any event, I considered that Accredited had the option to moderate any settlement to reflect the condition of the render, but this should not be a complete repudiation. Accredited has not addressed this point.

Overall, I am satisfied that Accredited's decision to decline the claim in its entirety was unfair and I remain of the view expressed in my provisional decision. I adopt that decision and reasons, as supplemented by the above, as my final decision.

Putting things right

In order to put matters right, Accredited should accept and settle Miss J and Mr J's claim in line with the remaining policy terms. It should pay to Miss J and Mr J the £150 compensation it previously offered for issues of service, and a further £100 to reflect the distress and inconvenience caused by its decision to decline the claim.

My final decision

For the reasons given above and in my provisional decision, I uphold Miss J and Mr J's

complaint and direct Accredited Insurance (Europe) Ltd to:

- Settle Miss J and Mr J's claim in line with the remaining policy terms;
- Pay to Miss J and Mr J £150 to reflect the service failings previously acknowledged; and
- Pay to Miss J and Mr J a further £100 compensation to reflect its decision to decline the claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J and Mr J to accept or reject my decision before 1 November 2024.

Laura Garvin-Smith
Ombudsman