

The complaint

Mr and Mrs H have complained about their home insurer HCC International Insurance Company Plc. They are unhappy that it's declined a claim for a wooden bridge at their property, swept away by flood water and for damage to decking which remains.

What happened

Mr and Mrs H's home is situated alongside a river, with steps from their garden to the river itself. There is decking installed along the riverbank at the foot of the steps, which leads to a bridge across the river, with a small part of the decking protruding into the river also. Their property is named after the river and the bridge.

In October 2023 the river swelled in flood and the bridge was swept away. The decking on the riverbank was also damaged. Mr and Mrs H made a claim to HCC. HCC began considering matters and started making enquiries about the property and the bridge.

HCC ultimately wasn't persuaded to cover the bridge or decking. Whilst Mr and Mrs H challenged HCC on this, its final response, dated 24 May 2024, remained that the decking and bridge likely fell outside the boundary of the property, so weren't reasonably covered by its policy. The final response also answered some of the challenges raised by Mr and Mrs H, but in short HCC wasn't persuaded those challenges materially changed things.

When Mr and Mrs H complained to the Financial Ombudsman Service, whilst noting some inconvenience had been caused, they said they wanted HCC to put matters right by covering the claim. They said, without that, they'd suffer a financial loss in reinstating the property.

Our Investigator felt the complaint should be upheld. He was satisfied that Mr and Mrs H had fairly understood the bridge and decking to be covered under the policy as part of their property. He noted that HCC had, at the very least, been aware there was a bridge, so felt it could have explored that more if it had had any concerns. He concluded that fair and reasonable redress here was for HCC to accept and settle the claim (for the bridge and the decking) in line with the remaining terms and conditions.

Mr and Mrs H indicated they were satisfied with the outcome. HCC did not initially respond to our Investigator. After being chased for its reply, it said it disagreed but needed more time to say why that was. HCC subsequently asked twice more for the time for it to respond to be extended. In its last contact on, 12 March 2024, it said it was still doing all it could to provide its response – but understood the matter would be referred to an Ombudsman in the meantime for the complaint to be assessed on the basis of the detail available.

The complaint was referred to me for an Ombudsman's decision.

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 noted above HCC's disagreement to our Investigator's view. But it hasn't, despite having had several extensions to the period for reply, which has afforded it ample time to review matters, been able to articulate, even in simple terms, the basis for its disagreement. I find that disappointing. I've considered then the complaint as it stood at the point of our Investigator's view, and whether HCC's position on decline was fair and reasonable. Having done so, I don't think it was. I'll explain my views below.

HCC's reason for decline, as set out in its final response letter, was that under the relevant policy definitions, and given the land registry detail for the property, the claim failed because the bridge and decking is not reasonably covered by the policy.

The policy as is quite usual offers cover for the "Home" which covers the house and outbuildings, as well as structures like greenhouses. The policy also sets out the definition for "Buildings", stating that is any permanent structure, including outbuildings, giving some general examples. The definition says they must all be within the grounds of the home.

HCC has said the bridge, and decking are not within the grounds or "boundary" of the property. It bases that on the fact the land registry document draws the property's boundary at the riverbank. That being the case I don't quite understand why HCC has been so adamant the decking along the riverbank is not covered – that seems to clearly be covered by the line drawn by the land registry. In any event, the policy does not say how HCC will decide what constitutes the "grounds of the home".

I don't fault HCC for having a policy that does not define this. In most cases deciding what constitutes a boundary of a property would be quite easy. And in most cases it would likely be fair to use a document, such as the land registry document used here, to determine that. However, this Service holds that each situation must be considered on its own merits, with a fair and reasonable approach being applied when considering matters such as liability for a claim under policy terms. In this situation I think HCC should have taken a wider view.

Mr and Mrs H have pointed out that as owners of a riverbank property, they have "riparian" rights over the river itself. This allows them to build structures over the river. They've also shown that the local council views them as responsible for the river, at least to its centre point. With them using the bridge to access their personal belongings stored on the other side – as show in the policy application, which HCC accepted. And I note HCC's loss adjuster found the footings of the bridge were founded in the bank on their side of the river, with the bridge on the other side just resting on its bank.

I've also seen that Mr and Mrs H bought this property, named as I've said, after the river and the bridge, with the bridge having been in place for a number of years. I think, when this application was made to HCC, they likely intended for it to be covered. I can see HCC was shown photos of the bridge as part of the application put forward by their broker. I accept that a specific request for the bridge to be included as part of the cover was not made to HCC. But I don't think that necessarily matters.

I say that because, as this was a permanent structure, which was part of Mr and Mr H's home, there would seem to have been no need for them to ask for specific cover for it. Further, once HCC was shown the bridge, I think that was sufficient detail to put it on notice to ask further questions about the bridge if it had wanted to do so – such as clarifying whether Mr and Mr H were expecting it to fall for cover under the policy. And/or this was its opportunity to clearly state that it would not be covered under the policy. It didn't do that and Mr and Mrs H ahead, with, I think, a reasoble expectation that the bridge, and the decking, were covered.

Given all of that, I think a fair and reasonable assessment of the bridge and decking is that they do fall within the grounds of the home. In all of the circumstances here, I don't think it was fair and reasonable for HCC, following the claim being made, to have sought to decline liability for the bridge and decking. I'm satisfied it's fair and reasonable to say it must now accept the claim and settle it in line with remaining policy terms and conditions.

I haven't considered anything about how the claim should be settled. That includes whether any other terms of cover might apply to limit or remove HCC's liability. All of that will be for the parties to deal with moving forward. I trust the remainder of the claim will progress smoothly. If that does not happen then Mr and Mrs H would need to make a further complaint, and if that is referred to us, we'll consider it in line with our usual rules.

Putting things right

I require HCC to accept and settle the claim for the bridge and decking in line with the remaining terms and conditions of the policy.

My final decision

I uphold this complaint. I require HCC International Insurance Company Plc to provide the redress set out above at "Putting things right".

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H and Mr H to accept or reject my decision before 9 May 2025.

Fiona Robinson
Ombudsman