

The complaint

Mr and Mrs A complain about Aviva Insurance Limited ('Aviva') declining a claim they made on their home insurance policy.

What happened

In April 2024 an outbuilding at Mr and Mrs A's home collapsed, so they contacted Aviva to make a claim.

Aviva investigated the claim as storm damage related and carried out two inspections in May 2024. But following these inspections, it decided to decline the claim as it thought the damage had been caused by the outbuilding being in a poor state of repair, rather than due to a storm. Mr and Mrs A complained, and Aviva provided a final response in June 2024, but Aviva maintained its decision to decline the claim.

Our investigator didn't think Aviva had acted unfairly. He said he didn't think Mr and Mrs A had provided evidence showing the damage was caused by a one-off storm event, and he'd checked weather records around the date of loss which he thought didn't show storm conditions. He also reviewed the inspection reports Aviva provided, and thought these showed the damage had been caused by timber rot, so it wasn't unfair for Aviva to decline the claim under the policy exclusion for gradually occurring damage.

Because Mr and Mrs A didn't agree, the complaint was referred to me to decide. I issued a provisional decision not upholding the complaint, and I said:

"I've begun by looking at the policy terms. The cover Mr and Mrs A had under the buildings section of their policy was 'all risks' – meaning damage was covered regardless of the cause, unless there was a specific exclusion in the terms which said otherwise.

So, it's not necessary for Mr and Mrs A to show the damage to their outbuilding was caused by a storm. They simply need to show that a loss occurred. And it isn't in dispute that their outbuilding was damaged.

The policy terms, however, contained a general exclusion which says Aviva won't cover any loss or damage caused by wear and tear, a lack of maintenance, or a loss which happens gradually over time. And Aviva says this exclusion applies to Mr and Mrs A's claim, because the damage was caused by timber rot.

The onus would be on Aviva to show to show that the exclusion applies for it to reasonably be relied upon it to decline the claim. So, the first question I've thought about is whether the evidence provided shows the main cause of the damage to the outbuilding likely was timber rot, and hence a gradually operating event which would fall under the policy exclusion.

Aviva appointed a structural engineer to assist in determining the cause of loss. He carried out two inspections at the property. I've reviewed the reports he produced from both inspections.

In the first report, the engineer noted signs of timber rot, and commented that he didn't think the wind speeds on the day of the collapse were enough to cause the collapse, noting a lack of damage elsewhere and to vegetation. But he didn't make a firm conclusion on the cause of the loss due to difficulty inspecting the timber under the rubble. So, he recommended the debris be cleared away to allow an inspection of the timber underneath the rubble.

Once this rubble was cleared, the engineer carried out another inspection on 17 April 2024. In the report from this inspection, the engineer said he could now determine the original roof structure and inspect the timbers more closely. The engineer said he found extensive signs of rot on the timber wall plate and concluded the collapse was likely caused by the rotting of this timber wall plate.

The engineer also provided a diagram, which I think shows a plausible explanation for how deterioration of the top wall plate would have led to the collapse of the outbuilding. In addition, photos have been provided, which I think show that rot was present in the timbers.

I acknowledge Mr and Mrs A didn't agree with this assessment of how the damage was caused, and I've considered the reasons they've provided as to why. But I'm more persuaded by the evidence Aviva has provided on what caused the loss.

I say this because Aviva has shown a structural engineer completed two inspections, found signs of rot, has provided photographic evidence of this, and has given an explanation which I find persuasive of why this rot led to the collapse. Other than their own comments, Mr and Mrs A haven't provided any more evidence, such as their own expert report, to show something else caused the loss.

And, looking at the weather reports around the time, while I acknowledge there were some periods of high winds in the days preceding the loss, I think given the lack of damage observed elsewhere and the severity of the damage to the outbuilding, it's more likely than not the outbuilding wouldn't have collapsed due to the weather alone. So, on balance, I think the main cause of the loss was the deterioration of the timber.

While strictly this would mean Mr and Mrs A's claim would fall under the policy exclusion for gradually occurring damage, in circumstances like these we also consider whether the consumer should have been aware this gradual damage was occurring. This is because if they shouldn't reasonably have been aware of this, they couldn't have taken any preventative steps.

Aviva made several comments regarding the maintenance of the outbuilding in its final response. In summary, it said:

- The outbuilding was built around 1800.*
- The outbuilding had inadequate waterproofing.*
- The structure wasn't maintained and was clearly deteriorating.*
- It investigated the history of the property and found a Listed Building Application made in 2011 for alterations to the outbuilding. This report said "A detached outbuilding in a relatively poor condition is situated adjacent to the east flank."*

Having considered these points, I think Mr and Mrs A could reasonably have been aware of the risk of gradual damage to their outbuilding. The outbuilding was 200 years old, making it inherently susceptible to deterioration. Inadequate waterproofing would have created

conditions for timber decay to arise, making maintenance essential, and the poor condition highlighted in the Listed Building Application suggests the outbuilding hadn't been maintained.

All buildings naturally deteriorate over time and require upkeep, and it was Mr and Mrs A's responsibility to ensure their outbuilding was properly maintained. The concerns raised by Aviva suggest the timber had not been adequately maintained. I think Mr and Mrs A could reasonably have been aware of there being a risk to their outbuilding if the timber inside it wasn't maintained, particularly given the age of the building. Had the outbuilding been properly maintained, I think it's likely it wouldn't have collapsed. So, I don't think Aviva has unreasonably applied the exclusion for gradually occurring damage."

Aviva accepted the provisional decision. But Mr and Mrs A did not, and in summary they said:

- It was a fair and honest claim and the right thing for Aviva to do would be to pay it.
- If the loss adjusters had decided to uphold the claim, Aviva would have paid out. So, the claim seems based on the whim of the loss adjuster.
- Aviva paid for the contents claim, suggesting it should also have paid for the building claim.

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 considered Mr and Mrs A's comments but have reached the same overall conclusion as I did in my provisional decision and for the same reasons.

I acknowledge Mr and Mrs A's strength of feeling the claim should have been paid. But insurance policies don't cover every possible event, and although Mr and Mrs A's policy was all risks, it still contained exclusions which meant some losses wouldn't be covered. In this instance, the policy didn't cover gradually occurring damage, which isn't an unusual exclusion for buildings cover.

As I said in my provisional decision, if Aviva believes an exclusion applied to the claim, it is for Aviva to show that. I haven't been provided with anything else showing what caused the damage, so I see no reason to depart from the conclusion I reached in my provisional decision that the main cause of the loss likely was gradual deterioration of the timber.

With regards to the claim decision, ultimately it would be Aviva's decision as the policy underwriter on whether it to accept the claim. I acknowledge Aviva would have considered the structural engineer's view on the cause of the loss. But that's not unreasonable or unusual given that a structural engineer would be best placed to comment on what has caused a building to collapse.

I also acknowledge Mr and Mrs A's comment about their contents claim being covered when their building claim wasn't. It isn't uncommon that a building claim and contents claim would be assessed separately by an insurer. Aviva may have considered the immediate cause of the damage to the contents to be a sudden and unexpected event covered by the policy but not for the outbuilding. Ultimately, the question is whether Aviva unfairly declined the building claim. And for the reasons I've set out here and in my provisional decision, I don't think that it did.

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 A to accept or reject my decision before 9 April 2025.

Daniel Tinkler
Ombudsman