

The complaint

Mr and Mrs C complain about the decline of a buildings (landlord) insurance claim by Liverpool Victoria Insurance Company Limited ('LV').

LV are the underwriters (insurers) of this policy. As they accept responsibility for the actions of their appointed agents, any reference to LV in this decision can be interpreted as covering the actions of their agents.

What happened

The background to this complaint is well known to both parties. Rather than repeat in detail what's already known, in this decision I will focus mainly on explaining the reasons for reaching the outcome that I have.

Mr and Mrs C had a landlord's policy for a property they let out to tenants. During a named storm (Darragh) in December 2024, the property suffered damage. A large section of pebble dash/render came away from the front of their property. Their tenants let the property management agency know, who in turn let Mr and Mrs C know. Due to a combination of Mr and Mrs C being away during this period and an issue with receiving the email, there was a short delay before Mr and Mrs C reported the claim to LV in January 2025.

LV ultimately declined the claim as they said the proximate cause of the damage was not the storm conditions, but gradual wear and tear over time. Mr and Mrs C complained and as they remained unhappy with LV's response, they referred their complaint to our Service for an independent review.

Our Investigator considered the complaint and recommended that it be partially upheld. In summary, they found the claim had ultimately been fairly declined, but there were service issues whilst LV reached that decision, for which £250 compensation was recommended. LV accepted the recommendation but as Mr and Mrs C didn't, the complaint has been referred to me for a final 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.

Our Service is an alternative, informal dispute resolution service. Although I may not address every point raised as part of this complaint - I have considered them. This isn't intended as a discourtesy to either party – it simply reflects the informal nature of our Service.

The scope of this decision and approach I'll be following

I'll be deciding whether LV fairly considered this claim before declining it in line with the policy terms. I'll also be considering the service provided by LV when responding to the claim. However, as LV have agreed (in the interests of pragmatism) to our Investigator's

recommendation of £250 for service issues, I only need to decide if that award goes far enough to recognise the impact on Mr and Mrs C and put things right.

Following our Investigator's assessment, Mr and Mrs C referred to being unhappy with the premiums charged at renewal. This point won't form part of my considerations here - as I've not seen evidence this complaint point had been raised with LV prior to it being made to our Service.

Mr and Mrs C have also recently asked our Service: "*Are you able to ascertain if LV staff receive a bonus or other incentive for saving the company money by rejecting claims?*" It's not the role of our Service to consider any incentives for rejecting claims. However, if I find that LV unfairly rejected this claim and breached their obligations under ICOBS 8.1.1, the Consumer Duty or Treating Customers fairly, then I can award compensation for that reason. Any systemic concerns Mr and Mrs C have would be best directed to the Financial Conduct Authority. That organisation recently carried out a review of this area of claims and Mr and Mrs C can find further information here: <https://www.fca.org.uk/publications/good-and-poor-practice/home-travel-claims-handling-arrangements>

Our Service has a well-established approach to complaints about storm damage claims which I'll be following when considering this complaint. More details can be found here: <https://www.financial-ombudsman.org.uk/businesses/complaints-deal/insurance/home-buildings-insurance/storm-damage>

In summary:

- Did storm conditions occur on or around the date the damage is said to have happened?
- Is the damage claimed for consistent with what we generally see as storm damage?
- Were storm conditions the main cause of the damage, or were there other factors that meant the damage might have happened anyway?

My key findings

Did storm conditions occur on or around the date the damage is said to have happened?

I'll address LV's initial claim response later in the decision, but it's now not in dispute that storm conditions were in operation *around* the date the claimed for damaged occurred. The strongest gusts were recorded on Saturday 7 December 2024, which was before the damage occurred. This is also supported by weather data for the risk address and weather warnings related to a named storm.

Therefore, the answer to this question is 'Yes'.

Is the damage claimed for consistent with what we generally see as storm damage?

The damage that occurred here was a large section of render/pebbledash at the front of the property had come away/been blown off during the storm.

Although not damage that might commonly be expected to be seen following a storm, the answer to this question is 'Yes'.

Were storm conditions the main cause of the damage or were there other factors that meant the damage might have happened anyway?

The final stage of our approach is to consider whether the damage being claimed for was caused by a one-off storm event, or if there was another cause.

Mr and Mrs C's position is their tenants reported the damage occurred during the night because of high winds and 'but for' the storm winds, the damage wouldn't have happened. LV's position is the damage was caused gradually, over time as the render came away from the building and the storm highlighted an existing maintenance issue.

Having carefully considered both positions and the evidence (alongside our approach to these types of complaints), I find that LV have fairly and reasonably considered the claim before declining it in line with the policy terms. I say this for the below main reasons.

I'm most persuaded by the surveyor's report and find it was reasonable of LV to rely on its' findings. Ours is an evidence-based Service and Mr and Mrs C have not provided any counter, persuasive evidence to undermine the position taken by LV when declining the claim. For example, this property was managed on their behalf, but no maintenance logs/records have been provided that would support regular maintenance to the exterior of the property in the years preceding this storm.

Given the nature of the render/pebble dash used, it is exposed to weather extremes all year round. This type of exterior finish will have a life span, but it's to be expected if well maintained (any cracks filled in etc) it would typically be expected to withstand the wind speeds in operation on the date of loss. Only one section has come away and it would reasonably be expected that if the cause of the damage here was solely the wind speed, other sections would also have been damaged.

Online images from 2024 and 2018, show potential darkening (likely water run off) beneath the left and right-hand sides of the main first floor window. The damage being claimed for has largely occurred in between those points.

I find that LV acted fairly when declining this claim for gradual causes/wear and tear over time. There can be little doubt that the strength of the wind on the date of loss likely contributed to the damage that has occurred. But for LV to be able to fairly rely on the gradual causes policy term to decline the claim, they need to show that the proximate cause was not the wind strength.

Proximate cause doesn't mean the last cause, it means the dominant, effective or efficient cause of the loss/damage. I find that because of the evidence in this complaint, LV have shown they can fairly rely on the proximate cause to be gradual causes/deterioration over time, that was highlighted by the storm - rather than a one off storm event.

For completeness, I've also considered whether any other section of cover ought to have responded to this claim. Mr and Mrs C had accidental damage cover. LV have not commented on this section of cover. But as Mr and Mrs C aren't claiming for any internal damage because of the storm, and there's been no reference to debris making contact with the external wall, I find that this section of cover didn't need to respond to this claim.

The service provided

Our Investigator recommended that LV pay £250 compensation for various service failings (the comments from the surveyor, another adviser telling Mr and Mrs C there weren't storm conditions etc) when initially responding to this claim. LV agreed to pay this figure and I find it to be broadly within the appropriate category of our published guidelines on these types of

awards. <https://www.financial-ombudsman.org.uk/consumers/expect/compensation-for-distress-or-inconvenience>

Summary

I find that LV have fairly declined this claim in line with the policy terms, but they've caused avoidable distress and inconvenience to Mr and Mrs C when considering the claim and need to pay them £250 compensation in recognition of this.

Putting things right

Liverpool Victoria Insurance Company Limited need to pay Mr and Mrs C £250 compensation.

My final decision

My final decision is that I partially uphold this complaint. Subject to Mr and Mrs C responding to accept the decision before the deadline set below, I direct Liverpool Victoria Insurance Company Limited to follow my direction as set out under the heading 'Putting things right'.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Mrs C to accept or reject my decision before 12 March 2026.

Daniel O'Shea
Ombudsman