

complaint

Mr and Mrs H complain that Lloyds Bank General Insurance Limited declined their two storm claims.

background

Mr and Mrs H had home insurance with Lloyds and made two separate claims for storm damage to different parts of their roof. Lloyds declined both claims.

The first claim related to damage to the flat felt roof, and associated internal damage. Lloyds said that the claim was not covered because there had not been a storm but it appointed a loss adjuster to inspect the internal damage. The loss adjuster said that *'the water damage is the result of an ongoing issue with the roof which is in need of replacement or an overhaul. We were able to access the roof and could see several patch repairs to the covering and parapet walls'*.

The following month, Mr and Mrs H made a claim for damage to the main tiled roof and damage to items in the loft space. Lloyds appointed a Personal Claims Consultant (PCC) to deal with this and the original claim. The PCC said that *'the tiled roof is passed its lifespan and is suffering from wear and tear and lack of maintenance. On closer inspection of the loft the loft boarding is showing signs of mould and mildew and long term water ingress...no damage can be attributed to a one off incident of storm and the recent high winds and rain have highlighted that the roof requires replacing as a course of maintenance to the property'*.

Lloyds declined both claims for internal and external damage in full but it agreed to pay for the dining table and chairs. It said that there had been delays relating to the claim for the flat felt roof and offered to pay £150 compensation for this.

Mr and Mrs H have complained to this service. They feel that Lloyds attributed the damage to wear and tear in an effort to avoid settling the claims. They want Lloyds to repair the damage and to compensate them for the distress and inconvenience they have suffered because of its poor handling of the claims. They point out that the flat felt roof had undergone repairs two years prior to the claim and that the mould and mildew referred to by Lloyds could have developed after the storm damage occurred. They also complain that they have not been compensated for alternative accommodation or food costs resulting from the claims.

my provisional findings

I issued a provisional decision which set out why I was minded to partially uphold the complaint. The relevant excerpt from my provisional decision is repeated below.

Mr and Mrs H's policy provided cover for damage caused by storm. It did not provide cover for damage arising from wear and tear or poor maintenance. This service approaches storm claims as follows:

- *on balance, was there a storm?*
- *is the damage typical of that caused by a storm?*
- *was the storm the dominant and effective cause of the damage?*

the first claim – damage to the building

Lloyds said that the damage to the roof was most likely the result of faulty workmanship from two years before. It said that there were no storm conditions in operation around the time of the first claim and therefore it did not accept the claim for the external damage to the roof. I have considered the weather records Lloyds relied on and I am satisfied that its assessment of the weather conditions was right. A storm claim will fail if there were no storm conditions. Therefore, I find that it was fair and reasonable for Lloyds to have declined Mr and Mrs H's claim for the external damage to the roof on this basis.

Lloyds also declined to pay Mr and Mrs H's claim for damage to the kitchen and lounge ceiling, the walls and the wooden flooring. Because there was no storm, Lloyds is not responsible for the internal damage under the storm claim. Therefore, I find that its decision concerning this element of the claim was fair and reasonable.

The policy included accidental damage cover for buildings and so I have also considered whether the damage (both internal and external) should have been covered under this section. Lloyds said that '*no damage can be confirmed as having been from a one off incident of water ingress*'. I also note that the fact the damage occurred gradually is supported by the conclusions of the loss adjuster. This and the evidence of damp and staining to the walls suggests that the damage occurred gradually. For accidental damage to apply, the damage must have been caused suddenly and based on the evidence I have seen, I am not persuaded that it was. Therefore, I find that it was fair and reasonable for Lloyds not to have settled the claim under the accidental damage section of the policy.

the first claim – damaged contents

Mr and Mrs H claimed for damage to their sofa and the dining table and chairs. Lloyds agreed to pay for the dining table and chairs but it declined the claim for the sofa because there were no signs of water damage. The fact that there was no storm means that Lloyds was not responsible for the damaged contents. The policy did not include cover for accidental damage to contents either. Therefore, I find that it was fair and reasonable for Lloyds to have only paid for the dining table and chairs.

the second claim – damage to the building

Lloyds agreed that there had been a storm around the time of the second claim and so it accepted the claim and appointed a PCC. However, the PCC noted that '*on closer inspection of the loft the boarding is showing signs of mould and mildew and long term water ingress*'. This evidence is not consistent with the damage having been caused by storm and is an indication that the damage has occurred over a period of time.

I accept that Mr and Mrs H became aware of the damage after a storm had taken place but in circumstances where an existing problem was merely highlighted by a storm, it would not be fair or reasonable to expect the insurer to pay for the repairs. Based on the evidence I have seen, I am satisfied that the condition of the roof was such that the storm merely highlighted an existing problem. In these circumstances, it was fair and reasonable for Lloyds to have declined the claim.

Because the evidence suggests that the damage to the roof occurred gradually, it would not be covered under the accidental damage section of the policy (which requires the damage to have been caused suddenly).

the second claim – damaged contents

Mr and Mrs H claimed for items which were damaged by the storm water. I accept that the external damage was more likely than not to have happened over time and wasn't caused by a particular storm. However, in these circumstances, this service will still consider whether the insurer should pay for internal damage, if there is any. We will consider whether the consumer was aware that there was damage to their roof.

In this case, I have not seen any evidence that Mr and Mrs H had been aware of the damage to their roof or the contents of their loft, and so I find that they had not. In these circumstances, it would be fair and reasonable for Lloyds to reconsider the claim for the contents which were damaged in the loft by the storm.

compensation

I note that Lloyds has agreed to compensate Mr and Mrs H for alternative accommodation and food. If this has not already been paid then it should be.

In terms of compensation for distress and inconvenience, I note that in addition to the £150 Lloyds had previously offered for its delays in dealing with the first claim, it has also agreed to pay £100 compensation for its delay in paying for the above items as well as the dining table and chairs. In the circumstances, I find that this sum is fair and reasonable.

developments

Lloyds has accepted my provisional decision. Mr and Mrs H have raised two additional points. Firstly, they want Lloyds to reconsider their claim for their sofa. They also want Lloyds to reconsider its position in relation to the flooring.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I made it clear in my provisional decision that it was fair and reasonable for Lloyds to have declined to pay for the sofa. This is because there was no storm, and the policy did not provide cover for accidental damage to contents.

As I explained in my provisional decision, Lloyds was not liable to pay for the flooring because there was no storm and the damage was not covered under the accidental damage section of the policy. I appreciate that Lloyds agreed to pay for the dining table and chairs, but this does not affect its liability in respect of the flooring.

In conclusion, because I have not seen any evidence which would persuade me to alter my view, my final decision will remain the same as my provisional decision.

my final decision

I partially uphold this complaint and direct Lloyds Bank General Insurance Limited to:

- reconsider the second contents claim in accordance with what I have said above
- pay Mr and Mrs H three days accommodation and food allowance if it has not already done so
- settle the claim for the dining table and chairs if it has not already done so
- pay Mr and Mrs H £100 compensation in addition to the £150 it has already offered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs H to accept or reject my decision before 13 November 2015.

Carolyn Bonnell
ombudsman