

The complaint

Mr and Mrs H complain Tesco Underwriting Limited (“Tesco”) unfairly declined a claim for storm damage against their home insurance policy.

What happened

In late December 2023 Mr and Mrs H reported a leak into their home which they believed was the result of recent weather.

In early January 2024 Tesco’s agent inspected the property. Tesco later declined the claim on the basis it said that:

- There were no storm conditions;
- There was no external damage to property, only internal damage; and
- Mr and Mrs H didn’t have accidental damage cover.

Mr and Mrs H didn’t think this was fair as they remained of the opinion their home had been damaged by a storm and their Tesco home insurance policy should respond. They asked our Service for an independent review.

The Investigator recommended the complaint should be upheld. She concluded, in summary, that:

- While the wind speed and rainfall per hour might not have strictly met the policy definition of storm, there was a great deal of rainfall in the days preceding the claim, which in her view constituted storm conditions;
- The internal damage claimed for could have been caused by the storm conditions, and there was nothing in the policy to say there had to be external damage for the policy to respond to a storm claim; and
- She agreed Mr and Mrs H didn’t have accidental damage cover but didn’t find it made a material difference given her previous findings that the claim should be considered as a storm damage claim.

Tesco didn’t accept the Investigator’s recommendation. It challenged whether storm conditions were in force and reiterated that there was no external damage. As an agreement couldn’t be reached, the complaint has been passed to me to decide.

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.

When I look at a storm claim complaint, there are three main issues I consider:

1. Do I agree that storm conditions occurred on or around the date the damage is said to have happened?
2. Is the damage claimed for consistent with damage a storm typically causes?

3. Were the storm conditions the main cause of the damage?

I'm unlikely to uphold a complaint if any of the answers to these questions is 'no'.

The policy defines storm as:

"A single violent weather event with wind speeds exceeding 55mph, and/or snowfall exceeding 30cm in depth within a 48 hour period, and/or torrential rainfall at the rate of at least 25mm per hour."

Weather data in the days preceding the claim show a peak gust of 51 mph on 21 December 2023, and maximum rainfall of 10.5 mm per hour on 23 December 2023. So, I accept the policy definition of storm was not met. But in light of Mr and Mrs H's contention that there was a storm, and that Tesco recognised the weather data showed there was bad weather, it ought reasonably to have considered the matter further.

Had Tesco considered the matter further, it would have found that while the rainfall per hour might not have been overly significant, the total amount of rainfall was. There was a great deal of rainfall in the days preceding the claim, including 42 mm in a 24-hour period. That amount of rainfall, alongside high winds, can, in my view, constitute a storm. So, in these specific circumstances, I'm satisfied a storm took place.

I then have to consider whether the damage is consistent with damage a storm typically causes. And whether the storm conditions were the main cause of the damage. So, I've looked at the available evidence.

Tesco's agent said:

"On inspection we noted that the brickwork (stone) at the front elevation above the canopy was wet due to exposure to rain."

The tiled canopy ran the full length of the property...with all flashing intact."

"Internally, the porch ceiling had water damage as did the living room ceiling and a section of the internal garage ceiling had collapsed. All affected areas were situated along the length of the canopy, and we believe that the rainwater ingress has occurred through the bricks to the cavity and has rested on the span of the supporting RSJ resulting in internal rainwater ingress"

I find this supports Mr and Mrs H's claim – that water entered their home because of weather conditions. And it strikes me the storm was the proximate cause of the damage – that is to say I've been given no evidence that persuades me that the storm was not the main cause of the damage. So, I'm satisfied the answer to the three questions I've asked above is 'yes'.

While Tesco argue for a storm claim there must be external damage, I don't find that is supported by the policy wording. And while I agree it's unusual - as you'd expect a property to be able to withstand the elements - this is not to say it cannot happen. Here, Tesco's agent's comments don't suggest the condition of the property is what led to the water ingress. It follows I don't find it's fair for Tesco to decline the claim on this basis.

I find Tesco didn't treat Mr and Mrs H fairly when it declined the claim. Given this matter has been ongoing for some months now, Tesco has had the opportunity to investigate, and it is unlikely material new evidence is going to become available, I require Tesco to accept the claim in line with remaining on policy terms. I also consider Mr and Mrs H should be paid £150 compensation in recognition of the distress and inconvenience caused.

My final decision

I uphold this complaint and require Tesco Underwriting Limited to:

- Pay Mr and Mrs H £150 compensation; and
- Accept the claim in line with remaining policy terms.

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 12 June 2024.

James Langford
Ombudsman