

The complaint

Mr G complains that Accredited Insurance (Europe) Ltd declined his claim on his property insurance policy.

What happened

Mr G had a property insurance policy for a property he owns and rents out. In February 2022 he made a claim after a storm led to the collapse of a stand alone garage.

Accredited investigated the claim but later declined it saying the garage collapsed due to wear and tear that was highlighted by the storm, rather than the storm being the main cause. And this was excluded from policy cover.

Mr G complained as he said he'd been told the claim would be accepted. And he said the garage had had no maintenance problems before the storm, so he didn't agree this was the cause of the damage. Accredited didn't uphold the complaint so he asked this service to investigate.

Our investigator thought Accredited had acted fairly by declining the claim based on the evidence. However she thought it had caused some avoidable delays and recommended it pay £100 compensation to make up for these.

Mr G didn't agree and asked for the complaint to be reviewed by an ombudsman.

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 deciding whether an insurer acted fairly by declining a claim for storm damage, we consider three questions. Firstly, whether there is evidence there were storm conditions at the time the damage was caused. Next, whether the damage is consistent with storm damage and lastly whether the storm was the main reason for the damage. If we're satisfied that the answer to all three questions is 'yes' then we would say the insurer wasn't fair to decline the claim under storm cover.

Here, the first question isn't in dispute – Accredited agree that the weather conditions on the day of the damage were enough to amount to a storm. And from the photos provided, the damage to the structure is consistent with that which would be caused by strong winds. However what's disputed is whether the storm was the main cause of the damage. So I've considered whether Accredited has done enough to prove that the storm wasn't the main cause and acted fairly by applying the exclusion.

Accredited sent an expert to inspect the damaged structure. While their initial report isn't very detailed it does show a number of images of the structure after its collapse. And from these it can be seen that the structure has collapsed completely while the wooden fences that surround it remain intact.

Due to the lack of detail contained in the report, Accredited referred it back to one of its experts for a second opinion, including photos of the structure before it collapsed for reference. The second expert confirmed that due to the fact the structure was 60 years old and the visible rotting of the timber, the primary cause of the damage was wear and tear and the storm highlighted the issue.

Based on the evidence available, and the opinion of two experts, I think Accredited has acted fairly by declining the claim. The experts have said that the structure would usually have a life span of 15 years but has stood for 60 years. And showed signs of rotting timber. So I think Accredited has made a fair decision when declining the claim.

While I appreciate Mr G doesn't agree that the structure was suffering any issue prior to the storm, he's not provided any expert evidence to dispute the findings of Accredited's experts. In fact, in the photos he's provided from before the storm, the structure appears in a poor condition. So his account isn't enough to persuade me that Accredited has acted unfairly.

However I agree with our investigator that Accredited took a long time to review the claim and provide Mr G with an answer. The claim was made in February and it wasn't until June that it confirmed it was declining it. This meant Mr G had to chase up the position and it delayed resolving the matter for his tenants, which would have been inconvenient. And I've not seen anything to explain why the matter took so long for Accredited to decide on. For these reasons, I agree with our investigator that Accredited should pay Mr G £100 compensation to apologise for the delay and poor service.

My final decision

For the reasons I've given, I direct Accredited Insurance (Europe) Ltd to pay Mr G £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 31 July 2023.

Sophie Goodyear
Ombudsman