

The complaint

Ms O complains that Zurich Insurance PLC has unfairly declined a claim she made against her insurance policy.

What happened

In January 2023 Ms O called Zurich to make a claim against the buildings and contents insurance she'd with them. Ms O said she'd water leaking from her roof and an outside cracked wall. She said the water coming from the roof had damaged the bedroom walls and ceiling and she needed to keep mopping up the water. She said the kitchen ceiling, wall and worktops had also been damaged. Ms O said she'd first noticed the leak around the end of November and the first week of December 2022, but she couldn't find her insurance policy to report it. Ms O said there was now mould on the kitchen and bedroom ceilings and walls.

Zurich declined her claim as they said there hadn't been an insurable event and that her policy didn't cover gradual damage. Ms O complained to Zurich.

Zurich said that there wasn't any evidence that the damage to Ms O's property was caused by a storm or any other insurable event. As Ms O said there was evidence of mould caused by the water leak, this showed the damage was caused gradually over time. But Zurich did apologise for the time taken to respond to Ms O's complaint and offered £100 to compensate her for this.

Ms O wasn't happy with Zurich's response she said they needed to send someone out to look at her property and what had happened. Ms O said she had to pay £500 to have her roof repaired, but she needed a further £5,000 to put right the damage that had been caused. She referred her complaint to us.

Our investigator said Zurich had applied their terms and conditions fairly and reasonably as an insured event hadn't happened.

Ms O didn't agree, she asked for an ombudsman 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.

I know my decision will be disappointing for Ms O, while I empathise with the position she finds herself in, for me to say Zurich must do something different I must first be satisfied they declined her claim unfairly I can't see that they have here which is why I won't be asking them to do anything else. I'll explain why.

For any insurance claim to be successful, the policyholder must show they have a valid claim, meaning an insured event happened that caused them damage or a loss. Insurable events are listed in the policy and reflect the fact that no policy covers everything that might

happen. Only damage caused by one of the one-off perils (or events) listed in the policy will be covered. If the damage can be shown to be caused by such an event, then the insurer must pay the claim unless they're able to rely on one of the policy exclusions to decline it.

Having looked at everything, I don't think Ms O has shown that the damage was most likely caused by a one-off insured event.

Ms O had buildings and contents cover with Zurich. There was the optional extras of Home Emergency cover and Family Legal Expenses but Ms O didn't have these included in her policy cover.

Ms O said she'd a leak of water coming from her roof and a cracked external wall. I've considered the policy terms and conditions. Upon making a claim the policy wording says:

"For any claim that is made you will need to be able to prove or substantiate that an actual insured incident covered by this policy has occurred."

Section One – Buildings

This section covers a number of insured events I won't detail all 21 but they include such events as fire, smoke, explosion, lightning or earthquake, storm or flood and escape of water. I've considered the policy terms under escape of water, which say:

"Escaping Water. Water leaking from or freezing in any fixed domestic water or drainage installation, heating installation, washing machine, dishwasher, water bed, fish tank, refrigerator or deep-freeze cabinet. We will also reimburse costs you have to pay to find where the water is leaking from, including the cost of repairs to walls, floors or ceilings (Trace and Access cover)."

From Ms O's account the water was leaking through her roof and wall, not from any of the items listed above. So, the damage wasn't caused by this insurable peril.

Damage caused by a storm is an insurable event under Ms O's policy. The policy defines a storm as:

*"We consider storm to be a period of violent weather defined as:
Wind speeds with gusts of at least 48 knots (55mph); or
Torrential rainfall at a rate of at least 25mm per hour; or
Snow to a depth of at least one foot (30 cms) in 24 hours; or
Hail of such intensity that it causes damage to hard surfaces or breaks glass."*

When considering complaints about storm damage claims, I consider three questions:

- Is there evidence of a storm event on or around the time the damage was caused?
- Is the damage claimed for typical of damage that would be caused by a storm?
- Was the storm the main cause of the damage?

The answer to all three questions needs to be 'yes' to be able to conclude that a storm claim was declined unfairly. Where an insurer relies on an exclusion in the policy to decline a claim the onus is on them to show the exclusion applies.

Zurich looked at the weather conditions around Ms O's address for the period 18 November to 24 November 2022, and at no point did the maximum gusts of wind exceed 31mph, so the weather conditions couldn't be defined as a storm.

While Ms O said she didn't know the precise date the water started to leak into her property, she'd begun to notice it around the end of November and the beginning of December 2022. I've looked at the weather reports for the last week of November 2022 and can see the maximum wind speed was recorded at 30mph. The average rainfall was well below 25mm and it hadn't snowed. For the first week of December 2022, the maximum wind speed reached in the week was 26mph. And the rainfall was well below 25mm and it hadn't snowed. So, I haven't seen any evidence of a storm between the dates of 18 November to 9 December 2022.

For Ms O to make a successful claim for storm damage to her property, she needs to show there was a storm at the time, and that the storm was the dominant cause of the damage. From the evidence I've seen I don't think Ms O can show this. As the answer to the first question I needed to consider is no, I haven't needed to consider the other parts of the test.

Section Two – Contents

Section two of Ms O's policy provides cover for contents – there are 33 insurable events listed. The ones that would apply to Ms O's situation are again storm or flood and escape of water. But the same conditions need to be met as those covered under her building insurance. So again, I can't see that Ms O's claim was a valid one as there wasn't an insurable event.

I've considered whether there is any other relevant term within the policy wording. I can see Ms O has taken the optional cover for accidental damage. Accidental damage is defined in the policy as *“Unexpected and unintended damage caused by something sudden and external.”* I haven't seen any evidence that would show the damage was caused by something that was sudden or unexpected.

It was several weeks after she first noticed the water leak before Ms O reported it to Zurich. I understand Ms O said she couldn't find her policy paperwork. From the description given by Ms O when she called Zurich, the water leak had been happening for some time as mould had built up. The policy says:

“Your policy does not cover claims arising from wear and tear, anything that happens gradually.....”

I know Ms O isn't happy that Zurich hasn't inspected her property to consider the repairs needed. But as outlined above it's for Ms O to show she has a valid claim. As she hasn't been able to show that there has been an insured event, I can't say that Ms O had a valid claim. So, I don't consider Zurich has acted unfairly or unreasonably in the way they've handled or in declining her claim.

Zurich has offered Ms O £100 to compensate for the time they've taken to respond to her complaint. The complaint handling process isn't something I would consider, so it's for Ms O to decide whether she accepts the offer made by Zurich.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms O to accept or reject my decision before 13 September 2023.

Anne Scarr
Ombudsman