

## The complaint

Mr C and Ms J have complained about U K Insurance Limited trading as Direct Line (UKI)'s decision to reject a claim they made for damage to their home under their home and buildings insurance policy.

## What happened

Mr C and Ms J made a claim for damage to their home caused by rot. UKI said it didn't cover a claim for damage in these circumstances. It looked to see if it could consider their claim as being caused by storm damage. But as no storm conditions occurred around the time of the discovery of the damage, UKI said it wouldn't be able to meet their claim.

Mr C and Ms J brought their complaint to us. Our Investigator didn't think UKI had done anything wrong.

Mr C and Ms J disagree. In summary they accept that remediation of dry rot is not covered under their buildings insurance. But they don't agree that their contents claim – as a consequence of the damage – shouldn't be covered. They say their carpets weren't ruined directly by the dry rot, but by the builders when they cut the carpet instead of rolling them back to carry out works.

## 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 understand that the disruption and inconvenience to Mr C and Ms J – as well as the financial consequences – has been severe.

My role is to look at whether UKI as the insurer has acted unreasonably and in line with the policy when considering the claim. I'm sorry to disappoint Mr C and Ms J. But I don't think UKI has done anything wrong.

As the Investigator explained, their policy with UKI doesn't provide cover for every eventuality. I appreciate that Mr C and Ms J say they maintained their house. I have no reason to doubt that. But as no insured peril occurred, and the cause of damage in this case was dry rot, which is clearly excluded, it follows that any consequential losses aren't covered either. UKI's policy says:

*"This policy does not cover*

*Just like most insurers we do not cover:*

- *Wear and tear.*
- *Damage caused by rot, fungus, woodworm, beetles, moths, insects, or vermin.*
- *Any damage caused gradually."*

So I'm not asking UKI to do any more. I think UKI treated Mr C and Ms J fairly and as it would any other customers in their circumstances.

**My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Ms J to accept or reject my decision before 3 January 2025.

Geraldine Newbold  
**Ombudsman**