

The complaint

Ms B complains about how Zurich Insurance Company Ltd ('Zurich') handled a claim she made on her home insurance policy for water ingress.

What happened

Ms B raised a claim in March 2025 after noticing the return of black mould on her bedroom ceiling which she said had happened around two years previously. Zurich accepted the claim and ultimately paid a cash settlement of around £4,500 for internal damage; however, they declined to cover any roof works and concluded the damage had arisen from a gradually operating cause or maintenance issues rather than a single insured event the policy covered.

Ms B raised a complaint and said the cause of the water ingress had not been properly established. She said mould reappeared during periods of rainfall, she felt that Zurich's investigation was inconsistent and incomplete, and as such she felt the policy excess shouldn't be applied. Zurich considered the complaint and awarded £225 compensation for claim handling issues they acknowledged, but they maintained their overall claim decision. Ms B remained unhappy with Zurich's response to her complaint – so, she brought it to this Service.

An Investigator looked at what had happened but didn't recommend Zurich needed to do anything further. The Investigator said they felt the evidence supported Zurich's decline of the claim because Zurich had relied on expert reports which had identified damage consistent with poor ventilation, and no evidence of roof leaks. The Investigator also considered the drone report that was commissioned which found no visible roof damage, and no signs of storm damage. Ultimately, the Investigator felt there was no evidence of an insured event which the policy covered and therefore felt it was fair that Zurich was not required to fund any roof repairs. They also concluded the £225 compensation Zurich had awarded was fair in the circumstances and Zurich was entitled to deduct Ms B's policy excess.

Ms B didn't agree with the Investigator's conclusions. She maintained the recurrence of mould during periods of rainfall indicated continuing water ingress rather than ventilation issues, and she felt Zurich's investigation had not uncovered the root cause of the issue. She also said survey and contract reports had not been disclosed to her despite a subject access request ('SAR') which meant she was unable to properly challenge the causation findings. She felt the £350 excess deduction was unfair given the cause of damage hadn't been appropriately identified and the claim handling shortcomings. and felt the £225 compensation was not enough to reflect the impact on her given her vulnerabilities. Ms B asked for an Ombudsman to consider the complaint – so, it's 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.

I want to start by explaining that I've intentionally summarised the background to this complaint as the details are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving the reasons for my decision. I also need to set out what I can consider as part of this complaint. This is because Ms B has raised a complaint point about surveyor's reports not being provided to her, but Zurich hasn't had the opportunity to consider and respond to this point yet. As such, my decision will only be considering the points Zurich responded to within their final response and those which I consider to be key to the dispute. I've addressed each of these in turn below, for ease of reference.

Policy coverage

The crux of the complaint here is whether the water ingress Ms B has claimed for was caused by an insured event under the policy. As the Investigator previously set out, this is an all-risks policy, which means Zurich is required to cover damage unless they can show that an exclusion applies.

Zurich says their investigation led them to conclude the damage resulted from deterioration or maintenance issues. I can see the main evidence Zurich has relied on is contractor inspections of the roof and loft space, and a drone survey. This evidence reported there were observations of poor ventilation within the loft space, but no visible roof damage, no evidence of storm conditions at the time of the loss, and a potentially uncovered vent which could allow water entry. But Ms B says the recurrence of mould during periods of sustained rainfall demonstrates to her that water is continuing to enter the property.

I've considered all of the evidence very carefully, and I am ultimately required to decide which evidence I am more persuaded by. In this instance, I am more persuaded by the conclusions reached by Zurich. Their reports reasonably support the conclusion Zurich reached in saying the damage was not caused by an insured event

I accept that rainfall may exacerbate damp conditions, but I don't think the evidence establishes the presence of an insured event. I think it's more likely, on balance, that moisture retention caused by blocked channels, poor ventilation, or maintenance issues the reports identified would get worse during periods of rainfall without there being an insured event the policy responds to. I also think it's important to note that the testimony from Ms B is less persuasive as it is largely conclusion-based and doesn't explain, with supporting evidence, that there was a roof defect that Zurich missed. As such, it follows that I do not uphold this aspect of the complaint.

Zurich's claim investigation

I appreciate Ms B is unhappy with the way Zurich handled the claim, in particular she's explained scaffolding was approved but not erected and that Zurich later relied instead on ladder access and drone imagery. I can appreciate why that would have been frustrating to Ms B, but I ultimately don't think that Zurich's investigation of the claim fell below a reasonable standard here just because they didn't ultimately use scaffolding.

I can see there were multiple contractor visits, as well as a loft inspection, and a roof inspection and drone imagery. I'm satisfied the available evidence does not indicate visible roof damage. And I've also seen no technical evidence that demonstrates a ladder and drone inspection would have been insufficient to identify a defect likely to cause the damage Ms B has described.

Ms B also says Zurich relied on shifting explanations of what was causing the water ingress. But I ultimately don't consider that Zurich's explanations were mutually inconsistent. Moss, ventilation, and gradual causes are all forms of deterioration or maintenance related issues rather than a sudden insured event. I think the key point here is that no insured event was identified and ultimately, I find Zurich were consistent in saying that the cause wasn't due to an insured event, so there wasn't a loss of expectation. Therefore, I do not think that Zurich has acted unfairly in declining to cover any roof repairs.

The policy excess

I appreciate Ms B's concerns about how the claim was dealt with, and I can see she's said she feels that she should not have to pay her policy excess of £350. But I don't find this to be fair or reasonable.

In a normal claim process, a policyholder is required to pay their excess as the portion of the claim they are contractually required to meet – and this isn't unusual or unreasonable. Ultimately, Zurich did undertake works to make good the internal damage. And while they have not identified a cause of the water ingress that is covered under the policy, I do not find that it's unfair for Ms B to pay the portion of the claim she is required to under the policy terms.

Zurich's claim handling

In terms of how Zurich handled other aspects of the claim, it's not in dispute that their service wasn't to the standard that Ms B could expect to receive at times. I can see Zurich has acknowledged this in their final response, so I don't need to make an extended finding on whether or not Zurich acted unfairly here. Instead, I need to decide what the impact was to Ms B and whether Zurich did enough to put things right.

I appreciate this claim has been ongoing since March 2025 and Ms B has experienced distress, particularly given concerns about mould and the presence of a vulnerable child in her household. I've had this in mind when looking at what happened. I can see Zurich made a compensation award of £225, which the Investigator felt was fair and reasonable. So, my role is to decide whether that's enough to put things right.

In terms of making a compensation award, it's important to note that this Service doesn't punish or fine a business. A compensation award is intended to reflect the impact a business's actions had on their customer. I've therefore weighed up Ms B's testimony, the available evidence, and the duration of the process overall. Having considered what happened very carefully, I haven't seen any persuasive evidence which demonstrates Zurich's handling of the claim caused Ms B distress and inconvenience beyond that already reflected in their compensation award.

Overall, I think the sum already offered of £225 is fair and reasonable in the circumstances, – so I'm not going to direct Zurich to increase this. I recognise this is not the level of compensation Ms B might have hoped for, and it may not ultimately change matters for her, given her larger concerns over how she feels Zurich dealt with the claim. But I'm satisfied the sum Zurich has already put forward is in line with the level of compensation appropriate to these issues, and I'm satisfied this produces a fair and reasonable outcome in this particular complaint. Zurich should pay this sum if they have not done so already.

My final decision

For the reasons I have set out above, my final decision is that I direct Zurich Insurance Company Ltd to pay Ms B £225 compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 23 March 2026.

Stephen Howard
Ombudsman