

The complaint

Mr C complains that Zurich Insurance PLC unfairly declined his buildings insurance claim after his property was flooded.

What happened

Mr C held a buildings insurance policy with Zurich.

In November 2025, Mr C's home was damaged when a nearby river burst its bank during a storm. Mr C made a claim on the policy. Zurich declined the claim. It said Mr C's policy schedule contained an endorsement specifically excluding flood.

Mr C complained. He said the policy had been mis-sold, documents like his insurance product information document ("IPID") indicated he had cover for storm and flood, the endorsement wasn't properly explained and wasn't prominent enough, and the policy covers storm which caused the flooding.

Zurich didn't uphold the complaint. It said it wasn't responsible for selling the policy, an IPID is only a general summary of cover and doesn't include special terms or conditions, the endorsement was clearly shown, and the policy separates storm and flood damage.

Mr C didn't think this was fair, so he referred the matter to our service. Our investigator didn't think the complaint should be upheld. He thought the endorsement was clear and had been applied fairly. Mr C didn't agree and so the matter has come to me for a final decision.

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've decided not to uphold the complaint. I know this will be deeply upsetting for Mr C and I want him to know he has my sympathy for the damage to his home. I've explained my reasons below, focusing on the points and evidence I consider most relevant to my decision.

The sale of the policy has already been considered separately by our Service and decided by another ombudsman. I cannot revisit that decision or hold Zurich responsible for the sale.

The key question I've had to determine is whether Zurich was entitled to rely on a policy endorsement to decline Mr C's claim.

It isn't in dispute that the damage was caused by floodwater entering Mr C's property.

The policy defines a flood as water from an external source entering a building at or below ground level, or above ground level in certain circumstances, whether that water results from a storm or not. I'm satisfied the damage falls within that definition.

The endorsement in question is found on page five of eight of the policy schedule and says:

“Endorsements applying ... FLOOD/RENT AND ALTERNATIVE ACCOMMODATION

We will not pay any claim for loss or damage resulting from flood or rent and/or alternative accommodation arising from flood.”

This is a significant restriction on cover and so it had to be made clear. I’m satisfied that it was. The endorsement appears in the policy schedule, which is a key contractual document containing the specific terms that apply to Mr C’s cover. I don’t think it was unreasonable for Zurich to include the endorsement on there, and I don’t find its placement on page five to be not prominent enough, given the importance of the schedule as a whole.

I’ve considered Mr C’s reliance on the IPID, but I agree with Zurich’s position. The IPID is only a general summary of cover. And, in this case, the IPID expressly stated that it had to be read alongside the full policy wording, the policy schedule, and any endorsements. So, I can’t fairly say the IPID should override a specific exclusion for flood in the policy schedule.

I understand Mr C’s argument that the flood was caused by a storm. But I’m satisfied the policy clearly distinguishes between storm and flood as two separate insured events. In any case, a storm causing the flood doesn’t mean the damage that followed should be considered storm damage or bypass a specific exclusion for flood claims.

I’ve considered Mr C’s wider points about fairness, and I do want to stress that I recognise the extremely difficult position this has left him in. But, crucially, insurers are entitled to limit the risks they cover as long as those limits are made clear. I’m satisfied that the endorsement in this case was made clear and that it applies to the claim Zurich was asked to meet. So, I don’t think it’s unfair for Zurich to apply it to decline the claim.

Taking everything into account, while I’m sorry to bring Mr C upsetting news, I’m satisfied Zurich has acted fairly and reasonably. I therefore don’t require Zurich to do anything further in respect of this complaint.

My final decision

I’ve decided not to uphold Mr C’s complaint about Zurich Insurance PLC.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr C to accept or reject my decision before 16 March 2026.

Chris Woolaway
Ombudsman