

The complaint

Mr H has complained about Zurich Insurance Company Ltd's decision to reject a claim he made for an escape of water under his home insurance policy.

Mr H is being represented in his complaint.

All reference to the insurer Zurich in my decision includes agents acting on its behalf while assessing the claim.

What happened

In January 2024 Mr H reported damage to his home caused by a burst pipe in his loft as freezing water had thawed.

Mr H's policy with Zurich has endorsements attached for when Mr H's home is unoccupied.

Mr H says he met the conditions of the key endorsement under the policy and wants Zurich to meet his claim.

Zurich didn't uphold Mr H's complaint. One of our Investigators thought Zurich had reasonably reached its decision to decline the claim.

Mr H disagrees and so his representative wants an ombudsman to decide. I've addressed what they've said in my findings below.

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.

The key term in question under Mr H's policy says the following:

“c) During the period from 1st November to 1st April inclusive, We will not pay a claim under Section One Buildings for escape of water unless:

j) central heating is installed and in operation to maintain at all times a minimum temperature of 58 degrees Fahrenheit (15 degrees Centigrade) with loft hatches (where present) left open for the circulation of heat or the water is turned off at the mains and the water system drained,

and

ii) the gas (if any) and electricity supplies are turned off at the mains when not used for the central heating system or the security of the Holiday Home.”

I've seen the notes recorded by Zurich of their first contact to describe what happened. Their notes read;

“Mr H believed he turned the water off at the stop cock when he left but when his Father checked it, it was on. Mr H's Father then tried to turn the stop cock off again only to discover a problem with the valve. The Contractor has left the kitchen sink tap running to clear what little water is still getting through. Unfortunately, the water cannot be turned off from outside as the valve has seized. Mr H advises that the electric radiators were on a timer.”

Under the report provided by the Loss Adjuster (LA) who attended on 25 January 2024, he wrote that due to sub-zero temperatures in the area at that time of year, it was clear that the water pipes had frozen causing the pipes to split and when the thaw occurred the water was able to escape.

It doesn't seem to be in dispute that the cause of damage was due to thawing frozen water from a burst pipe in the loft.

The LA wrote that as the water system had not drained, he focussed on the first part of endorsement (i), so the heating requirement.

The LA asked Mr H to provide evidence by way of an energy bill to show usage over the period in question. Mr H provided this. It showed very low usage of electricity between December 2023 and January 2024.

Zurich decided to reject the claim. It said there was insufficient evidence to show the electric heating was on in order to comply with the policy endorsement (i).

In response, Mr H's representative said that there are multiple factors to take into consideration as to what affects a home's temperature. And so they don't agree Zurich has reached its decision here fairly.

In a follow up response, Zurich said it is well known as to the costs of energy - and the utility statement provided showed very low usage. It pointed out the fact that the pipe in the loft had burst due to freezing water. So this was unlikely to have happened if the home temperature – and therefore the policy endorsement – had been complied with.

I find Zurich's decision that part one of the (i) endorsement wasn't met to be fair and reasonable. The onus is on Mr H to prove his claim. From the information available, it doesn't show - on balance - that his home was sufficiently warm enough so as to prevent pipes from becoming frozen during November to April. As it isn't in dispute that this was the cause of damage, along with the evidence of low usage of energy during the same period, I'm satisfied that Zurich properly considered the information available to it. Zurich said it would consider further information from the utility company or from an independent Surveyor, which I think was a fair approach to take.

In response to the Investigator's view, Mr H's representative focussed on the second part of the (i) endorsement. The account given by the representative differs to the first account provided to Zurich.

The representative says Mr H told them that he did turn off the stopcock before leaving his home. When the loss was discovered, the representative says Mr H's father attended and says that the stopcock was in the 'off' position. But it was allowing a small stream of water into the system because of a fault.

The representative says there may have been a misunderstanding that Mr H's father said the tap upstairs was on, not the stopcock. Mr H's father had said by opening the tap upstairs, this drained the remaining water downwards from the house into the sink, slowing the flow from upstairs.

The representative says a builder attended and tried to switch off the outside stopcock but this was jammed. They say the local water authority had to replace the fitting to the external stopcock.

The representative says Mr H couldn't have known the (internal stopcock) valve was faulty.

However, the first account above says; *"Mr H believed he turned the water off at the stop cock when he left but when his father checked it, it was on. Mr H's father then tried to turn the stop cock off again only to discover a problem with the valve."*

It's reasonable for an insurer to rely on the first account given as this is the one fresh in the mind of the person providing it. As I've said, the onus is on a customer to prove their claim.

And based on the information available, I don't find there is enough information to show Zurich that Mr H complied with the second part of the (i) endorsement.

So I'm satisfied that Zurich properly considered both parts of the (i) endorsement. And having done so, I don't find it acted unreasonably in rejecting Mr H's claim.

My final decision

I understand Mr H and his representative will be very disappointed with my decision. But for the reasons I've given above, 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 H to accept or reject my decision before 1 April 2025.

Geraldine Newbold
Ombudsman