

## **The complaint**

Mr R complains about Zurich Insurance PLC's handling of an insurance claim after a flood at his property.

## **What happened**

Mr R has an insurance policy underwritten by Zurich which covers a property he owns and rents out. He made a claim after a flood led to the ground floor of the property being inundated with water.

Zurich accepted the claim and carried out repairs. But Mr R wasn't happy with the time it took, or the standard of the work undertaken by Zurich's contractors.

In particular, he said the back kitchen door was now very difficult to get open, the kitchen units which had been replaced didn't match the existing kitchen, and the contractors had damaged central heating pipes when they removed the kitchen flooring.

Zurich partly upheld Mr R's complaint. They said they shouldn't have replaced the kitchen units without consulting Mr R and they offered 50% of the cost of replacing the now mismatched kitchen with a new one. They also offered £350 compensation for Mr R's trouble and upset which had resulted from this error.

But they said there was no substantive damage to the central heating pipes. They might have been scuffed or marked in places, but they were still watertight and entirely in working order.

And they said the back door – which was aluminium – couldn't have been affected by the flood. They said if the door was now catching that was because the floor level had to be raised to accommodate the central heating pipework, which had been incorrectly installed originally. And this wasn't therefore covered under the terms of the policy.

Mr R wasn't happy with Zurich's response, so he brought his complaint to us. Our investigator looked into it. He thought Zurich's offer to cover half the cost of the new (matching) kitchen was fair and reasonable. But he thought Zurich should repair the back door. And they should double the compensation to £700.

In response to our investigator's view, Zurich offered to either pay for replacement of the door (£625) as a gesture of goodwill *or* double the compensation (to £700) and ask their loss adjuster to visit to have another look at the door and work out why it was sticking.

Mr R didn't accept either version of that proposed compromise. And Zurich then asked for a final decision from an ombudsman. Essentially, they don't believe the issue with the door is claim-related.

## **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.

At this stage, there's absolutely no dispute about much of Mr R's complaint.

Zurich accepted – in response to Mr R's complaint to them – that they should pay 50% of the cost of a replacement kitchen. That's in line with our thinking on this kind of case. And I believe it's now accepted by Mr R.

Experts appointed by Zurich and by Mr R agree that the central heating pipework wasn't damaged in any meaningful way when the kitchen floor was lifted. There's no doubt in my mind that Zurich are entitled to decline any claim that they should replace the heating system and/or the pipework.

Zurich have accepted that the workmanship of the contractors was poor. And they accepted the kitchen ought not to have been repaired in the way it was – which has inevitably led to a delay in Mr R being put back in the position he was in before the insured event occurred.

They offered £350 in compensation for that - and they've now accepted that doubling that to £700 is fair and reasonable.

The real remaining issue here is the back kitchen door. Zurich don't think any damage is claim-related. And they've offered to replace the door only if the compensation isn't raised from £350. Mr R maintains that the issue is claim-related because there was no problem with the door before the flood.

I don't have any reason to suspect that Mr R is making up or exaggerating the issue with the door. And to be fair to them, Zurich haven't suggested that he is.

As the policyholder in this case, Mr R has an obligation to establish that he's suffered loss or damage. And he's done that - it's accepted the door isn't working properly. He's also very clearly pinpointed the insured event which appears to have led to that loss or damage.

If Zurich want to fairly and reasonably decline this part of the claim, they'd have to be able to show that the loss or damage is not claim-related – i.e., that it was caused by something other than the insured event (the flood).

They say the problem can't have been caused by water affecting the door, because it's aluminium – or aluminium-coated at least. And they said the problem was caused by the raised level of the floor in the kitchen – which was only raised because of poor installation originally.

Looking at the photographs provided by Mr R, Zurich's explanation of the damage clearly doesn't stand up. The bottom of the door is clear of the kitchen floor by at least a centimetre or so. And the photographs show that gap when the door is closed, when it's half open and when it's fully open.

So, I'm satisfied that Zurich haven't shown how the damage occurred or that it was caused by anything other than the insured event, the flood. And this is despite the fact they've had their loss adjuster inspect the property. That being the case, I'm satisfied they need to cover the part of the claim relating to the back kitchen door.

### **Putting things right**

It's agreed that Zurich need to cover 50% of the cost of replacing Mr R's kitchen units.

For the reasons given above, they should also pay for replacement or repair of the back kitchen door.

And they should pay Mr R £700 in compensation for the trouble and upset he's experienced as a result of their errors in handling this claim. Zurich offered £350 originally, but haven't suggested that the £700 proposed by our investigator was unfair and/or unreasonably high.

### **My final decision**

For the reasons set out above, I uphold Mr R's complaint.

Zurich Insurance PLC must:

- pay Mr R 50% of the cost of replacing his kitchen units;
- pay for or replace Mr R's back kitchen door; and
- pay Mr R £700 in compensation for his trouble and upset

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 27 December 2022.

Neil Marshall  
**Ombudsman**