

The complaint

Mr N complains about Zurich Insurance Company Ltd's handling of a claim under a home insurance policy.

Zurich has been represented by its agents during the claim. All references to Zurich include its agents.

What happened

Mr N had a home insurance policy with Zurich. In November 2023, his property was damaged following a leak in the loft and he made a claim with Zurich.

An Investigator at the Financial Ombudsman Service, looked into Mr N's complaint about Zurich's handling of the claim, and the impact on him, up until 20 September 2024. That complaint was closed following the Investigator's recommendation.

Following 20 September 2024, and relevant to this complaint, Mr N complained to Zurich, because it didn't agree to cover the cost for him to appoint his own Surveyor on the claim. He was also unhappy Zurich hadn't provided alternative accommodation (AA) despite his home not being habitable in the circumstances. He didn't believe all the asbestos had been removed from the property, and he was concerned about Zurich's position on the cover for his cooker and any associated damage.

After significant contact between Zurich and Mr N, it issued a final complaint response in April 2025. It said it wouldn't cover the cost of a Surveyor, if Mr N chose to appoint one. It said it had made attempts to arrange AA for Mr N, and he should contact the relevant agent to allow them to do this. It said Mr N was required to vacate the property, to allow repair works to begin. Zurich confirmed it was willing to arrange another Surveyor visit, to go over any concerns Mr N had, with the schedule of works (SOW).

Mr N remained unhappy with Zurich's response. He said he was entitled to the costs for appointing his own surveyor under the policy terms. He said he hadn't been contacted about AA until December 2024, despite his home not being habitable. And the AA he was offered was not suitable.

Following this, Zurich's agents contacted Mr N to say they would look to progress the claim by looking for suitable AA, meeting with Mr N to discuss the proposed works, and contacting Mr N to assess his contents claim.

The Investigator under this complaint didn't uphold the complaint. They said Zurich had made reasonable attempts to communicate with Mr N to arrange AA, and it wasn't required to pay for the cost of a surveyor chosen by Mr N. They said Zurich's proposed actions on the claim were fair and it had handled the claim fairly since September 2024, without causing avoidable delays.

Mr N didn't agree. He said he felt pressured by Zurich's proposals. He provided evidence to show his home was not habitable, including evidence of insects and spiders inside the

property that he said may have bit him when he was home. He said he didn't refuse any AA assistance and wanted Zurich to cash settle the claim.

Because the complaint couldn't be resolved, 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 should first set out that I acknowledge I've summarised Mr N's complaint in a lot less detail than he has presented it. Mr N has raised a number of reasons about why he's unhappy with Zurich. I've not commented on each and every point he's raised but, instead I've focussed on what I consider to be the key points I need to think about. I don't mean any discourtesy by this, but it simply reflects the informal nature of this service. I assure Mr N, however, that I have read and considered everything he's provided.

As outlined above, and by the Investigator under this complaint, the remit for this complaint is for matters after 20 September 2024. So under this decision, I will not consider Zurich's actions and handling of the claim before this date, or the impact of this on Mr N. This has been covered under a previous complaint.

I should also make clear that the Financial Ombudsman Service is a dispute resolution service, not the regulator of the insurance industry. So it's not our role to fine and punish a business. Our role is to look at whether a business has acted fairly in the circumstances of the complaint, and decide what it needs to do where it hasn't.

Surveyor costs

I've considered Mr N's complaint about the Surveyor costs not being covered first, as I think this is the main reason why the repairs couldn't be agreed and started, and therefore why the claim couldn't progress. I've therefore considered whether Zurich was required to cover the costs for Mr N to appoint his own Surveyor.

The terms of Mr N's policy say it provides cover for the costs of Surveyors and other professional fees, where a claim has been accepted. And given Mr N's claim has been accepted, I can understand why he feels Zurich should agree to pay for him to appoint his own Surveyor.

But, the terms also make it clear that additional expenses such as Surveyor costs, are costs Zurich will cover, where this forms part of the work carried out in repairing or replacing damaged parts of the building. And the terms also make it clear Zurich can decide to arrange these works itself or make a payment for this in cash.

Having reviewed the policy terms, I think a fair interpretation is that Zurich will pay the cost of a Surveyor where this is required, and it will only pay the cost of this in cash, to Mr N, where it doesn't arrange this itself. And I don't consider Zurich is required to cash settle the claim.

Overall, I don't consider the terms require Zurich to allow Mr N to choose his own Surveyor and cover this cost, nor do I think it's fair and reasonable to require Zurich to do so in the circumstances.

Because I think Zurich acted fairly, and in line with the policy terms, in appointing its own Surveyor, I don't think it acted unfairly, in refusing to cover the cost of Mr N appointing his own Surveyor. And because Mr N has made it clear he wants to appoint a Surveyor in order

to agree repair works to the property, I don't think Zurich was at fault for the delay in the claim progressing for this reason.

As outlined by Zurich, Mr N can still choose and appoint his own Surveyor if he wishes to. But as it stands, this isn't something Zurich is required to cover the cost of, nor is it something I will require Zurich to do under this decision.

AA

The terms of Mr N's policy provide cover for AA where his property is uninhabitable, and while repairs are carried out to the property to make it habitable.

Mr N has provided images of the condition of his home, along with a description of his circumstances and a Doctor's letter outlining his respiratory problems. The Doctor's opinion was that Mr N ought to be moved out of his property at the earliest opportunity.

Taking into account the information Mr N provided, I agree Zurich needed to provide him with AA. And I think AA is reasonably required to allow repairs to begin. So I've considered Zurich's actions from September 2024, and whether it caused delay.

In September 2024, Mr N did make it clear he would like to move into AA as soon as possible, given the condition of his home. Zurich's agents responded in September 2024, to say it could appoint a company to find him suitable AA, or he could find a hotel himself and provide details and costs. Zurich also confirmed in September 2024 that it hadn't withdrawn its offer to provide AA.

I can see Mr N emailed Zurich's agents in October 2024 to say he'd tried to find a suitable hotel but had been unsuccessful. So I think this shows Mr N first decided on exploring the option of finding a hotel himself, instead of asking Zurich's agents to find and arrange AA.

At the same time, in October 2024, Mr N said he was considering going abroad for a few weeks to stay with friends and family. He wanted Zurich to cover the cost of this, including flights and daily living expenses. I don't think this request was reasonable, or in keeping with the obligations of Zurich as the insurer under the policy terms. So I don't think Zurich acted unfairly in declining to pay these costs.

Between November and December 2024, based on Mr N's indication of his intention to travel abroad, Zurich did make a cash settlement offer of £1,950 per month. Once it was established Mr N was going to stay in the UK, Zurich reverted again to approaching a supplier to find suitable AA for Mr N.

Zurich instructed a supplier, that I'll refer to as R, in December 2024. On 17 December 2024, I can see R contacted Mr N directly, with an AA option it had found. This was for a three-bedroom property, around three miles from Mr N's home. I've not seen sufficient evidence to persuade me the option offered to Mr N was unreasonable. So I think Zurich, through its agent, acted reasonably. Following this, Mr N contacted the Financial Ombudsman Service on 19 December 2024 with concerns about his current living conditions. But I've not seen evidence to show he responded to the option provided by R at that time.

Mr N acknowledges that R did provide different AA options. But he's also indicated that one of his main concerns was about Zurich's intention to review AA periodically (after three months), once it had been provided, and that he'd have to pay the remaining AA costs if works were completed before any AA period had lapsed.

But its unlikely Mr N would be responsible for AA costs, based on a period Zurich agreed to

cover, even if repairs were completed before the AA period lapsed. I've not seen evidence that Zurich said anything that would lead Mr N to believe this, nor have I seen that Mr N expressly asked Zurich to clarify this. So I don't think Zurich did anything wrong here, or caused any avoidable delay.

Because I consider the main reason the works couldn't begin, was the matter of Surveyor costs, I'm not persuaded Zurich's actions on the matter of AA caused avoidable delay overall.

Overall, I agree with Zurich's position that Mr N should contact the AA supplier, R, to allow them to source AA for him, so that he can vacate the property, to allow repair works to begin.

Asbestos

Mr N has raised concerns about asbestos he believes still remains in the property, including in the loft.

From the evidence I've seen, it appears that all affected asbestos containing material has likely been removed, or managed. And an asbestos certificate has been issued to confirm the property is safe. I've also not seen evidence to persuade me the loft insulation contains asbestos.

But Zurich has still confirmed it will repair all areas of damage caused by the leak. And that any damage to the loft will be assessed in detail once the repairs have started, including removing any materials suspected to contain asbestos, that are disturbed by any insured works. I think the position Zurich has taken, and its proposals, are fair.

Cooker

Mr N initially raised concerns with Zurich about costs likely associated with the replacement of his damaged cooker.

But in its response to Mr N in December 2024, and in its submission to the Financial Ombudsman Service, Zurich has confirmed any additional damage beyond damage to the cooker, will be considered as part of the repair works. I've not seen evidence of existing damage in relation to this, that Zurich has refused to consider, so I think its proposal is fair in the circumstances.

SOW and overall Zurich proposals

Mr N said he had concerns about Zurich's SOW, but it's not clear what his specific concerns are, beyond the matters addressed above.

Zurich has said it is willing to arrange another Surveyor visit to go over any points Mr N feels has been missed from the SOW, and I think this is fair in the circumstances. And for the reasons outlined above, I don't think Zurich needs to go beyond this and pay the cost for Mr N to choose and appoint his own further Surveyor.

In order to progress the claim, Zurich's agents contacted Mr N to propose the following:

- Instructing its existing appointed Surveyor to make contact and arrange a visit, to discuss the proposed repairs (and SOW) and address any queries Mr N may have.
- Instructing R to make contact to assist Mr N in finding suitable AA so repairs can progress.

- Instructing an agent to make contact with Mr N to assess and progress his contents claim.

For the reasons outlined above, I think the above proposals are fair and reasonable in the circumstances. I think it remains for Mr N to confirm with Zurich, or its agents, that he's willing to proceed based on the above.

For the reasons outlined above, I don't consider Zurich acted unfairly or caused significant avoidable delay. So I won't direct it to do anything else.

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 N to accept or reject my decision before 9 July 2025.

Monjur Alam
Ombudsman