

The complaint

Ms P complains about how Zurich Insurance PLC ('Zurich') handled a claim she made under her home insurance policy.

Ms P is represented by her husband in this complaint, who has handled much of the background claim process. However, for ease of reading, I will refer to any actions taken, or correspondence provided, as being made by "Ms P" wherever possible.

What happened

The following is intended as a summary of key events only.

Ms P held a home insurance policy underwritten by Zurich which covered her leasehold property. She made a claim in March 2023 after noticing water damage during January and February 2023. Zurich said they were discussing resolving the leak with the freeholder, which was h Ms P's local council. They said once the source of the leak was resolved, they could start reinstatement works. The leak was confirmed as resolved around December 2023, and a property inspection was arranged by Zurich in January 2024.

Some further clarification was requested from the local authority, but by April 2024, Zurich confirmed the claim could go ahead and that they were able to start the drying process and reinstatement works. Water damage specialists attended in April 2024 and confirmed the extent of the damage and requested a full strip-out. This was due to start in early September 2024; but Ms P raised concerns that she didn't feel the scope of works outlined would resolve the damage caused by the leak and return the property to its former condition. Ms P was also unhappy about a loss of rent and alternative accommodation costs – as she said she and her family had been unable to stay at the property since the claim was reported to Zurich – so, she raised a complaint.

Zurich considered the complaint provided a response in September 2024 in which they said delays at the start of the claim were due to them needing confirmation from Ms P's local council, as freeholder, that the source of the water leak had been identified and resolved. They said once this was done, drying and reinstatement works were started. They also said they weren't able to consider loss of rent or alternative accommodation cover under the policy as the property wasn't deemed to be uninhabitable. And they said they understood that Ms P and her family had been residing in Australia and friends were staying at the property. As such, alternative accommodation would only be provided during the repair works, which were due to start in September 2024, up until early October 2024.

Ms P disagreed with Zurich's response and provided several detailed replies, the main points of which were that at the time the claim was submitted, she and her family were living in Australia and friends were staying at the property under a paid rental agreement, but they had vacated due to mould build up in late June 2023. She said this rendered the property uninhabitable and unsuitable for future rental. Despite receiving photos of damage in July 2023, Zurich did not appoint a loss adjuster until January 2024, and she said it was acknowledged at this time by Zurich's loss adjusters that the property was unsafe due to the extent of mould.

Ms P also said full strip out works that had been recommended between April and June 2023 were not carried out, and yet a dry certificate was issued in June 2023. She said she later arranged her own inspection which confirmed high moisture levels and the need for a full strip out. She said this was consistent with an earlier escape of water claim from 2016 in which Zurich had carried out full strip out works. She was also concerned that in October 2024 she was unexpectedly told that her alternative accommodation would end despite previously being informed it would continue for two more weeks.

Zurich then issued a second final response in November 2024, in which they said full strip out had not been completed because a dry certificate had been issued, and only partial replacement was required. But they said they would instruct an independent quantity surveyor to assess whether the works met the required standard to make the property habitable, and they did accept the property was uninhabitable until around mid-October 2024. They said that Ms P and her family had not been living at the property and had been in Australia at the time of the loss so they wouldn't have paid alternative accommodation costs until they returned to the UK to oversee the claim.

In respect of lost rental income, Zurich said they had initially been told there was no rental agreement in place and friends had been staying at the property for free but they acknowledged Ms P had since provided a rental agreement dating back to 2020, and they asked for a copy of Ms P's tax return, bank statements, and rental income records to assess this aspect of the claim further. Finally, Zurich agreed to pay £100 compensation for the distress calls by the premature end to the alternative accommodation which they agreed would have been upsetting.

Ms P remained unhappy with Zurich's response to the complaint – so, she brought it to this Service. She raised a number of reasons why she was unhappy, but in summary she said the following:

- Zurich had delayed and worsened the damage to the property by not identifying the source of the leak, instead deferring to the local council, incorrectly.
- The property remained unsafe and therefore uninhabitable beyond Zurich's declared completion date of 15 October 2024.
- Zurich had ignored their own contractors' recommendations to complete a full strip out of the affected areas.
- Zurich hadn't made any payments for loss of rent, despite Ms P providing a rental agreement and evidence of rental payments being received. Zurich should pay for lost rental income up until building works had started.
- Zurich failed to appoint a loss adjuster or surveyor promptly upon claim notification.
- The local council confirmed leak resolution on 1 December 2023, yet Zurich unnecessarily prolonged investigations until April 2024.
- Between July and September 2024, Ms P repeatedly raised issues about the insufficient scope of works and the inadequate accreditation of Zurich's contractors. Zurich delayed appointing an independent surveyor until December 2024, only after issuing a second final response.
- The £100 compensation wasn't sufficient to reflect the impact Zurich's actions had caused in respect of notifying Ms P the alternative accommodation would be ending earlier than previously advised.
- The additional £250 compensation wasn't sufficient to reflect the impact Zurich's actions had caused in respect of the claim as a whole. Ms P's representative explained he'd spent over 400 hours dealing with the claim which represented a financial impact of approximately £11,050.
- Zurich should pay accommodation expenses of £296 per night from the date the

- buildings works started until the property was restored.
- The property was now being sold in its unrepaired state, so, Ms P asked for a financial settlement equivalent to the total cost of all recommended restoration works.

I issued a provisional decision on this complaint in July 2025 and I said the following:

"I should first set out that I acknowledge I've summarised Ms P's complaint in a lot less detail than she's presented it. Ms P has raised a number of reasons about why she's unhappy about what's happened regarding this claim. She's also provided several detailed submissions about why she disagreed with the Investigator's recommended outcome. However, in this decision, I haven't commented on each and every point she's raised, but instead, I've focussed on what I consider to be the key points I need to think about in order to reach a fair outcome. I don't mean any discourtesy by this; it simply reflects the informal nature of this Service. I assure Ms P, however, that I've read and considered everything she's provided.

I also need to outline what period I will be considering as part of my decision. As the Investigator outlined previously, the issues raised after the last final response Zurich issued in November 2024 aren't something I can look at. This is because Zurich hasn't provided a reply to them yet, so I won't be able to address them. I understand Ms P has raised a new complaint in respect of several issues which Zurich will be providing a further final response to. Should she remain unhappy with that response, she is free to bring a new complaint to this Service for us to consider.

As such, I'll be looking at the main points Ms P raised as part of this complaint up until November 2024 – which relate to the scope of the policy and claim delays, the property being uninhabitable and Zurich's approach to paying loss of rent, Zurich not completing a full strip out of the property, alternative accommodation, as well as general claim delays, and Ms P's Information Commissioners Office ('ICO') data access concerns. I've referred to each of these points in turn below as part of my findings, for ease of reference.

The scope of the policy cover and claim delays

One of the main points raised about the delay in starting reinstatement works is down to the cover under the policy. Broadly, the parties' positions are that Zurich didn't start works until they'd had confirmation from the local council (who is the freeholder of the block that Ms P's leasehold property is within) that the leak had been identified and fixed. And this didn't happen until January 2024. However, Ms P says that the policy covers the entire block, and therefore Zurich's duty to trace the leak, prevent further damage, and restore the property, applies to the full extent of the building's structure. However, I'm not persuaded this is what the policy says.

I've considered the relevant policy and its terms on this point, which say the policyholder is the "Leaseholders as named on the policy specification" – and Ms P is then specifically named on an issued schedule document. The local council is listed as an "other interested party." The relevant term Ms P has relied on, which she says means Zurich had a responsibility to identify the source of the leak, says:

"In the case of leasehold flats, the definition of Buildings also includes common parts of the structure in which the private dwelling is situated, such common parts being defined in the title deeds. (my emphasis).

But this definition does not extend to other properties, just common parts of the building. And the source of the leak was identified as coming from another flat in the block. So, despite Zurich covering other flats in the block under the policy, I've not

seen any terms that would allow Zurich to enter another property in order to identify a leak or fix it, without that leaseholder first making their own claim and allowing access.

In respect of the trace and access cover itself, the policy terms say that Zurich will pay up to £5,000 for the cost of removing and then repairing, replacing or reinstating any part of the buildings when this is necessary to find the source of a water leak that is causing damage. But the term doesn't say that Zurich will carry out the trace and access themselves under the policy. I think this is in line with the way these types of policies operate usually, where a policyholder would instruct a contractor to carry out a trace and access exercise, and Zurich would then reimburse this cost after the event.

As such, I don't find that Zurich acted unfairly by liaising with the freeholder of the block and waiting for them to identify and fix the leak, before they carried out works to fix the damaged that had been caused. While I recognise the delay that was caused, Zurich's notes show they were in contact with the local council in trying to resolve the issue. And while Ms P says she initially received confirmation the leak was resolved in December 2023, Zurich required additional information, which was requested after their contractor attended the property in January 2024. Whilst the council did respond in February 2024, Zurich says the update was insufficient, and they requested further details. However, by mid-April, it was agreed that the claim could proceed. And having considered the claim history, I don't find this to be unfair given my findings above.

The property being uninhabitable

Whether the property was uninhabitable or not includes follow on aspects of the claim in respect of alternative accommodation and loss of rent as well, so I'll address these aspects within my findings on this topic.

- Alternative accommodation

The terms relevant to this part of the claim say Zurich will pay:

"Loss of rent and alternative accommodation... if the Buildings become uninhabitable as a result of an insured risk."

I can see that when the claim was first reported, Zurich's notes show that Ms P had told them that friends were staying at the property, free of charge. And Ms P also confirmed she and her family were currently staying in Australia. So, while I can see that by September 2024, Ms P had outlined she and her family had been unable to stay at the property for some 416 nights, I don't think Zurich would need to pay for alternative accommodation until the time in which Ms P and her family returned to England in September 2024.

Given Zurich arranged alternative accommodation for the period between September 2024 and mid-October 2024, in line with the remedial works being completed, I generally find this to be fair. If there are further alternative accommodation costs required due to outstanding works past November 2024 then Zurich should consider these.

I do recognise that being given the wrong information on when alternative accommodation was ending would have caused some distress, but given the issue was resolved fairly quickly, I think the compensation offered is fair in the

circumstances. This means I don't intend to direct Zurich to increase the amount already paid.

I accept that Ms P says that the policy terms are triggered by an insured risk and not by the policyholder's location or the intentions to return – but until the time Ms P returned to the UK, she wouldn't be entitled to alternative accommodation since she wasn't living in the property. Instead, I think the period before her return would be better considered under loss of rent.

- Loss of rent

As I explained above, it appears Zurich understood that friends were living in the property free of charge and Ms P's representative also confirms that he initially wasn't able to locate a copy of the tenancy agreement in place. I think the delays in resolving this aspect of the claim largely came down to miscommunications around the actual status of the property. But I can see that Ms P did update Zurich on the rental aspect of the claim later on. Zurich's final response then requested further information to substantiate a loss of rent claim.

But I can't see that a further conclusion was issued, so I won't be able to make a finding on this other to say that I think it was fair and reasonable for Zurich to have requested further information to substantiate this point. Given this position has now fundamentally changed, with Ms P providing a copy of a tenancy agreement and copies of bank statements, I don't consider it unreasonable for Zurich to want to further validate this claim before agreeing to any lost rent.

I am mindful that Ms P has now provided additional evidence to Zurich; who will need to provide a further response on this issue as to whether they will be paying for loss of rent. So, my finding is that Zurich should consider that aspect of the claim and if Ms P remains unhappy with their response, she is free to bring a new complaint to this Service.

Not completing a full strip out

I appreciate this is one of Ms P's main concerns over the claim. From looking at the evidence provided, the original inspection that was undertaken in January 2024 did include a recommendation for a full strip out – but this wasn't completed, and the same contractors issuing a dry certificate in June 2024. When challenged, Zurich sent the contractors back out to inspect and they reported that plasterboard/MDF would only need to be replaced where required.

As I explained previously, I'm only able to consider events that occurred up until the date of Zurich's final response in November 2024. And that means I'm only able to look at the original reports from the contractors. The first one said a strip out was required, but then Zurich said a dry certificate was issued and their contractors then said a full strip out wasn't required. I can see Ms P disagreed with this and Zurich's final response said they would appoint a quantity surveyor to consider this aspect of the claim and to look at whether a full strip out was required. I find this to be fair, as I think Zurich instructing a third-party to resolve this point is a reasonable way to resolve it.

I'm aware that Zurich sent out the building surveyor who attended in December 2024 to inspect the property and Ms P says that report confirms the property needed to be stripped out. But because that report occurred after Zurich's final response in November 2024, I wouldn't be able to consider it as part of this complaint, and I

understand that Ms P has raised a new complaint which will incorporate this aspect of the complaint.

ICO data access concerns

I appreciate Ms P is unhappy with her data subject access request ('DSAR') she made to Zurich's loss adjusters. And she's provided a copy of a letter from the Information Commissioners Office ('ICO') which highlights that the loss adjusters infringed their data protection obligations, because Ms P didn't receive a response to her subject access request within the statutory timeframe.

Generally, where a loss adjuster is appointed by an insurer to act on their behalf, any failure by the loss adjuster in handling data or communication is treated as a failure by the insurer. This is because they were handling the claim on the insurer's behalf and it's likely the insurer failed to ensure compliance or take steps to follow up once notified of the failure.

In combination with the other aspects of the claim that Ms P was concerned about I accept this would have caused understandable frustration. And while I understand the DSAR breach was initially in relation to a delay in providing a response within the statutory time limit – I understand Ms P said there were missing files from the disclosure. I recognise this would have been upsetting for Ms P - and so I think an award of compensation is suitable here to reflect the inconvenience caused. I will include this in the "putting things right" section of my decision below.

General claim delays

An ongoing building claim comes with a certain level of frustration and inconvenience, so I would expect there to be some disruption as part of the normal claims process. However, my role is to consider what should have happened and look at any additional and unnecessary inconvenience and distress caused by Zurich's errors or omissions alone.

I recognise that the claim has been ongoing for some time, and while there are certain delays that I think are understandable given my findings above, I do recognise that there were times where I think Zurich could have done more, and been more involved in the claim - in line with their regulatory requirements to handle claims promptly and fairly and to provide appropriate information on its progress; under ICOBS 8.1.1R.

I haven't delayed everything here, as the background to this complaint is well known to both parties. But having reviewed what happened, I think an award of compensation is warranted to reflect the impact Zurich's handling of the claim had on Ms P. I will outline my approach to compensation below in the 'putting things right' section of my decision.

Additional matters

Before I outline my approach to compensation, I wanted to respond to Ms P's representative's submissions around losses he says he has experienced as a result of dealing with this claim. I should start by explaining that in the circumstances of this complaint, the eligible complainant is Ms P, as she owned the property and therefore was the beneficiary of the insurance policy that covered it.

A specific rule (DISP rule 2.7.2 R) allows a third-party representative to bring a complaint on behalf of an eligible complainant to this Service. That applies here as

Ms P's representative has been dealing with much of this claim from when it started. But that doesn't mean the representative is an eligible complainant in their own right. This is an important point to outline, because, while this Service can make a compensation award for any distress and inconvenience a business has caused in relation to a complaint (DISP 3.7.2 R), that does not confer the right to receive a money award to a representative personally.

It follows that I cannot make an award for distress or inconvenience caused to Ms P's representative, as our rules simply do not permit me to do so. And in any event, while Ms P's representative has estimated spending over 400 hours (approximately 17 full working days) managing this claim, and says as he charges a rate of £650 per day, this represents a financial impact of approximately £11,050 - it's important to note that this Service does not make specific awards for someone's time, or calculate it using a set amount, like an hourly wage.

Additionally, I understand Ms P says the property has now been sold in its unrepaired state, and she is seeking a financial settlement equivalent to the total cost of all recommended restoration works as detailed in the independent building surveyor's report. She says this financial settlement would reflect the reduced sale value directly resulting from Zurich's claim mismanagement. But this isn't a point that I can consider in this complaint as it forms part of a separate complaint following Zurich's final response in November 2023. I understand Zurich are currently looking at these aspects which I believe this point forms a part of. So, once Zurich have responded to this point, Ms P is free to bring that complaint to this Service if she remains unhappy.

Putting things right

A compensation award isn't intended to fine or punish a business, it's to recognise the impact a business' actions have had on their customer in a particular complaint. This Service's approach to compensation awards requires me to think about what amount would be fair by taking into account how I consider Ms P was affected.

I've thought about the impact to Ms P and I think Zurich's handling of the claim, once they began reinstatement works, caused some additional distress, upset and worry, as well as disruption to daily life over a prolonged period, with the impact felt over many months. I've also looked at the overall impact Zurich's actions had on Ms P. Given she was told repairs would only take a few months to complete, I consider that the delays would have caused additional upset and inconvenience for Ms P over and above what I would consider to be normal. The Investigator recommended a further £250 compensation, and I can see Zurich have agreed with the Investigator to pay that additional sum, on top of the compensation already offered.

But I don't think this level of compensation would be sufficient to reflect the impact of their claims handling on Ms P. And, having considered everything that's happened, I think an award of £500 compensation, in addition to the £100 already offered, is a fairer and more reasonable sum in all the circumstances to reflect what I consider to be the impact of Zurich's claims handling on Ms P.

For the avoidance of doubt, this sum covers the general claims handling delays, as well as the failure to provide a response to Ms P's DSAR request within the statutory timeframe, and the miscommunication around alternative accommodation ending."

I concluded that I was intending to uphold the complaint in part and to direct Zurich Insurance PLC to consider Ms P's loss of rent claim, consider Ms P's complaint about her

sale of the property at an undervalue, consider Ms P's alternative accommodation costs past November 2024 and pay a total of £600 compensation (less any sums already paid). Both Ms P and Zurich replied to my provisional decision.

Zurich said they were generally supportive of the findings I had made. But Ms P didn't agree. She provided a detailed response alongside further documentation. In summary her main points were:

- My provisional decision wrongly concluded that Zurich acted reasonably in deferring to the local council to trace the leak. However, I hadn't commented on the fact that the preliminary report concluded that a communal concrete walkway was the primary source of water ingress. Ms P said Zurich had acted unfairly by not tracing the leak per the policy terms. Ms P said my conclusion that the leak as originating from a private flat misrepresented both the factual cause and Zurich's contractual duty.
- Zurich failed to take any meaningful action for over nine months, despite knowing the likely source of the ingress and the severe impact on the property's condition.
- Zurich's policy provides for alternative accommodation where insured damage renders a property uninhabitable. It does not require physical residence by the policyholder at the time of loss.
- Zurich denied the loss of rent claim on 10 March 2025, despite receiving the tenancy agreement well before its Final Decision dated 29 November 2024.
- Zurich claimed that their contractor revised its recommendation to allow partial removal but this is incorrect and there was no evidence of any revised recommendation.
- My provisional decision refused to consider the report issued on 10 January 2025 despite Zurich relying on it in their final response in November 2024. Ms P said this was unfair.
- Zurich has never provided the call audio from the claim's outset, despite repeated Subject Access Requests. This recording is central to the dispute and must be treated as a standalone failure.
- The compensation award was inadequate and didn't reflect the impact caused by the denied cover for loss of rent and alternative accommodation, as well as the financial and emotional distress caused.
- Zurich had demonstrated a repeated pattern of complaint handling failures and delays. My provisional findings that concluded

As both parties have now responded to my initial findings, I will set out my final decision 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.

Ms P's submissions, both before and after I reached an initial opinion on the complaint, are detailed and lengthy. While they have been helpful in me understanding this complaint and I thank her for them, both parties are aware of these and I do not intend to repeat their detail here again, especially as I have included my provisional findings above.

Ms P has helpfully provided her reply in the same format my provisional decision adopted. So, for ease of reference, I will refer to each point in turn below, including Ms P's replies to my initial conclusions.

The scope of the policy cover

Ms P has said my provisional decision wrongly concludes that Zurich acted reasonably in deferring to the local council. She maintains they had a responsibility to trace the leak. She explained that Zurich's contractors identified that a concrete communal walkway was the primary source of ingress in January 2024 and this would constitute a "common part" as per Zurich's policy terms. Ms P said Zurich failed to inspect the walkway or fulfil their trace and access obligations under the policy.

I did consider that report as part of my review of the complaint, and I did so again when issuing this final decision. That report states "*The cause of the ingress of water appears to be as a result of water pooling on the concrete balcony to the flats above and over a period of time, accessing in through the concrete into the property.*" However, a later inspection by Zurich's contractors in April 2024 concludes that "*...the water damage originated from a slow leak from the flats above in a boxed soil pipe.*" It was this conclusion that I based my provisional findings on.

In any event, in the event that the ingress of water was in fact from the communal walkway, my findings on whether Zurich acted fairly remain the same. I say this because I'm satisfied that Zurich has satisfied the policy terms by deferring to the council to identify the source of the leak. The terms require them to cover the costs of identifying the leak - but I don't think the term creates a requirement for Zurich to carry out the trace and access themselves under the policy and circumvent the freeholder's obligations generally.

I maintain that this is in line with how trace and access cover typically operates in the insurance market. So, while I appreciate Ms P's concerns that Zurich didn't act more promptly, I don't find that Zurich acted unfairly by liaising with the freeholder of the block and waiting for them to identify and fix the leak, before they carried out works to fix the damaged that had been caused. On balance, I'm satisfied Zurich took reasonable action to remedy the damage, in line with the terms and purpose of the policy.

The property being uninhabitable

- Alternative accommodation

As I said in my provisional findings, until the time Ms P returned to the UK, she wouldn't be entitled to alternative accommodation since she wasn't living in the property. Instead, I think the period before her return would be better considered under loss of rent.

I agree with Ms P's point that the policy terms are triggered by an insured risk and not by the policyholder's location or the intentions to return. But I also need to think about what is fair and reasonable in the overall circumstances of this complaint. The policy is designed to provide cover for alternative accommodation where a policyholder can't use their home due to an insured risk. So it follows to me that where a policyholder is not using their home, they would have no need to claim for alternative accommodation. There are also no policy terms that provide for a payment in lieu of the benefit being provided under the policy. So, I don't think Zurich would need to pay for alternative accommodation until the time in which Ms P and her family returned to England in September 2024.

Given Zurich arranged alternative accommodation for the period between September 2024 and mid-October 2024, in line with the remedial works being completed, I find this to be fair. If there are further alternative accommodation costs required due to outstanding works past November 2024 then Zurich should consider these.

- Loss of rent

In my provisional findings I explained that Ms P had reported to Zurich that friends were staying in the property, free of charge, at the time of the loss while Ms P and her family stayed in Australia. Since then, Ms P has provided a rental agreement and says Zurich should reimburse the loss of rent suffered by the delays in concluding the claim.

I explained in my provisional findings that Ms P's representative had confirmed he initially wasn't able to locate a copy of the tenancy agreement in place. But in the reply to my provisional findings Ms P now says the call to Zurich had a poor connection and the idea that Ms P had friends staying in the property free of charge is unverified and inconsistent with the tenancy agreement submitted.

As I said previously, Zurich's final response requested further information to substantiate a loss of rent claim, which, given this position has now fundamentally changed, I find was fair and reasonable. I appreciate Ms P has asked me to make a direction to compel Zurich to pay her loss of rent claim – but I don't consider it unreasonable for Zurich to want to further validate this claim before agreeing to any lost rent. Ms P also says Zurich denied the loss of rent claim on 10 March 2025. But as this is something that occurred after the final response in November 2024, it's not something I can consider as part of this complaint or final decision. If Ms P remains unhappy with that response, she is free to bring a new complaint to this Service.

Not completing a full strip out

Ms P says it is false that Zurich's contractors revised their recommendation to allow partial removal of water damaged materials and there is no evidence of this. She also says that the evidence in support of works not being completed in full is contained in the contractor's report from January 2025.

As I explained previously, I'm only able to consider events that occurred up until the date of Zurich's final response in November 2024. And that means I'm only able to look at the original reports from the contractors, which I maintain outlined that a full strip out wasn't required once a dry certificate was issued. I appreciate Ms P feels very strongly that this is unfair – but I am unable to deviate from this as the new report is not something that formed part of the final response from Zurich. While Ms P says that Zurich relied on this report in anticipation, so its exclusion would be unfair; the final response says this report will be communicated separately.

I remain satisfied that this issue forms part of a new complaint point that Zurich need to consider and provide a response to. I understand that Ms P has raised a new complaint which will incorporate this aspect of the complaint – so, if she remains unhappy, she can bring a new complaint to be considered.

ICO data access concerns

I appreciate Ms P is unhappy with her data subject access request ('DSAR') she made and has asked me to consider this as a standalone issue. And Ms P has provided a copy of a letter from the Information Commissioner's Office ('ICO') which highlights that the loss adjusters infringed their data protection obligations, because Ms P didn't receive a response to her subject access request within the statutory timeframe.

I said previously this delay would have caused understandable frustration. And I proposed to include a level of compensation to account for this. But it's not the role of this Service to decide whether or not a business has breached data protection laws - that's the role of the ICO. So, if Ms P remains unhappy with a file she says is missing from her DSAR request – she would need to raise this with the ICO directly.

Claim delays and compensation

I've combined my findings on these issues as they form part of the same conclusions. Overall, Ms P says that the compensation I awarded of £600 (that she refers to as £500) is not enough in the circumstances to reflect the impact this claim has had on her. She's specifically referred to the impact caused as a result of Zurich declining to cover her loss of rent and alternative accommodation costs, as well as a loss in property value.

My compensation award was made in respect of claims delays and to account for times Zurich could have done more to progress things. In respect of alternative accommodation and loss of rent, I wouldn't look to make a compensation award to include these items as they would be subject to their own claims process. I've explained why I don't think Zurich need to pay for alternative accommodation prior to her returning to the property in September 2024, as well as why a loss of rent claim will need to form part of a subsequent complaint. And I remain satisfied that the reasons I have given are fair in the circumstances of this complaint.

In respect of Ms P saying her property became unsellable, I outlined in my provisional findings that I understood the property had been sold in its unrepaired state, and Ms P said a financial settlement would need to reflect the reduced sale value directly resulting from Zurich's claim mismanagement.

But this isn't a point that I can consider in this complaint as it forms part of a separate complaint following Zurich's final response in November 2023. I understand Zurich are currently looking at these aspects which I believe this point forms a part of. So, once Zurich have responded to this point, Ms P is free to bring that complaint to this Service if she remains unhappy.

Additional matters

Ms P has referred to Zurich's complaint handling failures and outlined that she raised repeated and specific complaints and lodged multiple formal complaints through the claim process. I should explain that, generally, this Service isn't able to consider complaints about complaint handling specifically, because complaint handling is not a regulated activity set out in our rules (the Dispute Resolution Rules or 'DISP'). I've considered where the complaint was more about progressing the claim and therefore something we can look at as part of my review of this complaint and I've set out where I think Zurich acted unfairly and in turn, I proposed an award of compensation to reflect the impact caused.

One of the main points Ms P complained about was Zurich issuing their final response before the surveyor's report was available. As I set out earlier, the complaint encompassed a wide range of issues – and I think it was fair and reasonable for Zurich to provide a response covering those issues to date – in line with their requirement to provide a response to complaints within eight weeks.

That final response said that a new contractor would be attending the property to carry out a review and provide a report. I understand that report was issued in January 2025 and forms the basis of a new complaint, taking into account its findings. I find this to be reasonable, and, as I said earlier, should Ms P remain unhappy with this aspect of the claim, she is free to bring a new complaint to this Service to consider.

Putting things right

Having considered everything that's happened, I maintain that a total award of compensation of £600 is a fair and reasonable sum in all the circumstances to reflect what I consider to be

the impact of Zurich's claims handling on Ms P. For the avoidance of doubt, this sum covers the general claims handling delays, as well as the failure to provide a response to Ms P's DSAR request within the statutory timeframe, and the miscommunication around alternative accommodation ending.

Any additional losses Ms P says she has incurred, such as alternative accommodation once the original accommodation arrangements ended, a loss of rent, or a reduction in property value, form part of a separate complaint.

My final decision

For the reasons I've given above, my final decision is that I uphold this complaint in part. I direct Zurich Insurance PLC to:

- Consider Ms P's loss of rent claim and provide a final outcome (if they haven't done so already).
- Consider Ms P's sale of the property at an undervalue claim and provide a final outcome (if they haven't done so already).
- Consider Ms P's alternative accommodation claim past November 2024 and provide a final outcome (if they haven't done so already).
- Pay a total of £600 compensation (less any sums already paid).

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P to accept or reject my decision before 3 September 2025.

Stephen Howard
Ombudsman