

## **The complaint**

Mr and Mrs S complained that Zurich Insurance Company Ltd have informed them they were exiting the property insurance market.

## **What happened**

Mr and Mrs S have been long term customers of Zurich, going back to the early 90's. They've had both historic and current issues with subsidence at their property. They've been informed that Zurich are exiting the property insurance market and were concerned about being able to find affordable insurance going forward. They were unhappy and raised a complaint. Zurich upheld the complaint. Whilst they didn't think they'd done anything wrong in relation to exiting the insurance market, they thought their communication could have been improved and awarded Mr and Mrs S £150 compensation for the trouble and upset caused. Mr and Mrs S were still unhappy and brought the complaint to this service.

Our investigator didn't think Zurich had done anything wrong, so didn't think Zurich needed to do anything further. Mr and Mrs S appealed. They were still concerned with their upcoming renewal. As no agreement could be reached, the complaint has been passed to me to make 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.

Having done so, and whilst I appreciate it'll come as a disappointment to Mr and Mrs S, I've reached the same outcome as our investigator.

At the outset I acknowledge that I've summarised their complaint in far less detail than Mr and Mrs S have, and in my own words. I'm not going to respond to every single point made. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. The rules that govern the Financial Ombudsman Service allow me to do this as it's an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I'm satisfied I don't need to comment on every individual point to be able to reach an outcome in line with my statutory remit.

As a starting point, it's important to set the scope of this complaint. I can only look into issues raised up until the most recent final response letter was issued.

As our investigator set out, the Association of British Insurers (ABI) sets out guidance for insurers on how they should provide continuation of cover following a subsidence claim. This is to ensure that consumers are able to continue to arrange cover following a claim. Under ABI guidance, members are committed to working with policyholders to ensure they manage the ongoing subsidence risk and maintain cover.

In 2023, Zurich announced they were no longer providing direct home insurance policies to customers. However, Zurich directed Mr and Mrs S to a broker that could continue to

arrange cover through Zurich. In 2024, Zurich directed Mr and Mrs S to another broker that could still provide insurance with them. So, since Zurich has announced their withdrawal from the market, Mr and Mrs S have still been able to take out policies with Zurich. Based on what I've seen, I don't think Zurich has done anything wrong here.

Mr and Mrs S have raised about the increase in premiums charged by Zurich and also that they couldn't get cover with Zurich in 2025. Neither of these points have been raised with Zurich in the complaints raised to date and so aren't something I can consider in this decision.

I do agree that the communication with Mr and Mrs S could have been better. I think the £150 compensation offered by Zurich is fair and reasonable for the trouble and upset caused in the circumstances.

### **Putting things right**

To put things right, Zurich should pay Mr and Mrs S £150 compensation.

### **My final decision**

For the reasons I've explained above, I uphold this complaint and direct Zurich Insurance Company Ltd to put things right by doing as I've said above, if they haven't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S and Mr S to accept or reject my decision before 7 November 2025.

Anthony Mullins  
**Ombudsman**