

The complaint

Mrs G complains about the way Zurich Insurance PLC handled an escape of water claim under a property owners insurance policy. Mrs G's appointed loss assessor I'll refer to as "A1" is representing her in this case.

Reference to Zurich include its agents.

What happened

The details of this complaint are known to the parties, so I won't repeat them in detail. Instead, I will focus on the reasons for my 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.

There is a great deal of correspondence for this complaint. I have read it all. Many points have been made in relation to this matter – I've not addressed each one individually. Instead, I've focused on what I think the key points are. I mean no discourtesy to either party by this; it simply reflects the informal nature of our Service.

I should also explain the role of this Service is not to handle or oversee claims. And while I'm aware of the ongoing nature of this claim, the scope of my decision is considering whether I think Zurich treated Mrs G fairly in the period up to its final response letter dated 4 November 2024. Matters that occurred after this date that Mrs G is dissatisfied with will need to be directed to Zurich in the first instance for it to respond to.

Mrs G is the leaseholder of a flat she rents to tenants. The building in which the flat is situated was insured with Zurich. As a leaseholder, Mrs G is an intended beneficiary of the contract of insurance.

In March 2024, Zurich were notified of an escape of water claim. Zurich appointed a loss adjuster to oversee the claim. They instructed a leak detection specialist and contractors to assist with validating the claim, the extent of damage and the reinstatement, such as considering the extent of the strip-out requirements. The source of the escape of water was found to be from a bathroom toilet which had been repaired in February 2024.

A1 complained to Zurich on Mrs G's behalf about the way it approached this claim by wasting time undertaking investigations and site visits. It said it had dealt with similar claims for other flats in Mrs G's building, so it knew the flat lay-out, construction and costs, amongst other things, to repair and reinstate the damage Mrs G's flat suffered which was the same as previous claims. A1 said Zurich's approach and claim handling caused, in summary, delays, more damage, further costs and a future impact on the insurance premiums.

Zurich responded to the complaint on 4 November 2024. It said the complexity of the claim resulted in matters taken longer than it expected, but it was satisfied it had taken reasonable

steps to minimise the disruption on Mrs G. It apologised and offered Mrs G £400 compensation in total. A1 brought a complaint to our Service on Mrs G's behalf.

The Investigator didn't recommend the complaint be upheld as she wasn't persuaded Zurich caused material, avoidable delays, nor did she think Zurich's approach to assessing and progressing the claim was unreasonable. My review has determined the same. On the evidence available, I am not satisfied Zurich treated Mrs G unfairly by appointing a loss adjuster and further agents to investigate the extent of the damage. An insurer is ultimately entitled to assess an individual claim on its own merit and appoint suitably qualified agents to validate and assess the damage and recommend next steps.

Zurich relied on the findings from its appointed agents. I've reviewed those. The leak detection specialist informed Zurich on 30 April 2024 they recommended the bathroom be stripped out due to mould and damp caused by the insured event and undertake further investigations by cutting trial holes to track the runs of the moisture.

Zurich's loss adjuster provided their preliminary report dated 26 April 2024. They appointed agents to complete a comprehensive investigation into the extent of the damage, water spread and determine the level of strip out works. These agents provided a report dated 21 May 2025, which set out, in summary, there was no evidence of significant structural damage, further investigations were recommended, including stripping out the bathroom, and following the results a plan to detail how much strip out work was needed to aid drying, and which areas could be dried using alternative methods without the requirement for further strip out work.

Zurich therefore relied on the findings from its agents and proceeded with this claim to authorise A1 to arrange stripping out the bathroom and allow for further investigations to take place. I am satisfied this was a fair and reasonable approach for it to take. I acknowledge A1 didn't agree with this approach, but that doesn't mean Zurich's approach was unsatisfactory based on the information available to it at the time.

I've reviewed the timeline of this claim from March 2024 to 4 November 2024. I note there was a great deal of back and forth between Zurich and A1 during this period. Following the reports from its agents, Zurich asked A1 to provide a schedule of works for the bathroom strip out on 29 May 2024. This wasn't received from A1 until August 2024, which was returned to it by Zurich, asking for it to be aligned to its 29 May 2024 instructions. A1 returned a revised schedule of works. Zurich told A1 it had no objection to it proceeding with the strip out provided it adhered to the specifications and costs previously set out.

In September 2024, A1 told Zurich its costs had increased since August 2024. Zurich responded to A1 in October 2024 to say if it couldn't proceed with the works then it would instruct its own contractors to complete them. As set out above, Zurich then responded to the complaint A1 raised on Mrs G's behalf, on 4 November 2024.

On the evidence available, I am not satisfied Zurich were responsible for causing material, avoidable delays. Zurich's loss adjuster was in frequent contact with A1, and agents appointed to assist with dealing with this claim, making enquiries and chasing responses and information. It follows I am satisfied Zurich's practical handling of this complaint was satisfactory. And in any case, Zurich apologised to Mrs G and offered to pay her £400 compensation to recognise this matter had taken longer to progress than expected over this period, which I think is reasonable.

In conclusion, I am satisfied Zurich treated Mrs G fairly, so I don't uphold this complaint. I accept my decision will disappoint Mrs G. But it ends what we – in attempting to informally resolve her dispute with Zurich – can do for her in this specific complaint.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 19 September 2025.

Liam Hickey
Ombudsman