

### The complaint

Mrs A is complaining about the way Zurich Insurance Company Ltd has handled a claim she's made on the commercial property insurance policy that covered her block of flats.

Zurich has used a loss adjuster to handle the claim on its behalf. But for ease of reference I shall refer to the loss adjuster's actions as being done by Zurich.

### What happened

In June 2024 Mrs A discovered water coming through the light fitting above the bath in her bathroom. The water was coming from a leak in the apartment above. Mrs A says she sought to resolve this with the resident of the flat and through the management company, but with no success. Over time, she said the damage got significantly more widespread so she contacted Zurich to claim for the damage against the buildings insurance policy that covered the apartment building.

Mrs A raised two separate complaints – in November 2024 and March 2025 – about the way Zurich was handling the claim. Zurich didn't think it had generally handled the claim unreasonably. It acknowledged that it could have handled some things better and offered to pay her £500 in compensation. And, in summary, it said the following:

- The claim had taken so long because of difficulties in getting the owner of the flat above to carry out the rectification work to stop the leaks. And it said it couldn't start any work until this was resolved.
- It acknowledged Mrs A had asked for some specific information – such as when the claim would start and to provide a detailed schedule of works. But it said it didn't have the answers to this, because of the issues with the other flat, which is why it couldn't answer this.
- It agreed it could have been more pro-active in arranging alternative accommodation for Mrs A.
- It recognised there were some instances where it could have replied to her communication quicker than it did.
- Mrs A had complained Zurich hadn't provided the full leak detection report its contractor had provided after inspecting the above flat. But it said this was because it contained details of a property she didn't occupy, so it wasn't allowed to share this with her.
- Mrs A had thought it was unfair she had to pay the excess and thought the owner of the other flat should pay this. But it said it was her claim and she was required to pay it. It said she could look to recover this from the owner, but that was for her to pursue.

Our Investigator didn't uphold this complaint. She said the delays on the claim were largely down to issues caused by the owner of the flat above and also because Mrs A wasn't willing to pay the excess. But she noted Zurich had chosen to progress the claim – e.g. by arranging alternative accommodation – even though Mrs A hadn't paid the excess.

She acknowledged there were some areas Zurich could have handled the claim better, but she thought £500 was fair compensation.

Mrs A still didn't think £500 was fair. She said this matter had had a significant impact on her and her daughter's health. And she highlighted significant issues had continued with the claim.

As Mrs A didn't agree with the Investigator, the complaint'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've decided to not uphold this complaint and I'll now explain why.

I should first set out that I acknowledge I've summarised Mrs A's complaint in a lot less detail than she's presented it. Mrs A has raised a number of reasons about why she's unhappy with the way Zurich has handled this matter. I've not commented on each and every point she's raised. Instead I've focussed on what I consider to be the key points I need to think about. I don't mean any courtesy about this, but it simply reflects the informal nature of this Service. I assure Mrs A and Zurich, however, that I have read and considered everything they've provided.

I also need to set out that I can only consider Zurich's handling of the claim up to May 2025 when it issued its second final response to her complaint and Mrs A then referred the complaint to this Service. I'm aware that a lot more has happened on the claim after this. But she'll need to raise this with Zurich first. If she's unhappy with the outcome of this complaint, she can raise a new complaint with this Service. But I'm unable to consider anything that's happened after May 2025 in this decision.

I can see that this situation has had a significant impact on Mrs A's life and I naturally sympathise with the situation she's found herself in. But, in deciding this complaint, I've thought about whether Zurich acted fairly and reasonably and whether it could have reasonably helped Mrs A avoid some of this distress and inconvenience. I'm not persuaded it largely could have done.

Ultimately, Mrs A is in the situation she's in because of the major challenges she and Zurich have faced in trying to get the owner of the flat above and the management company to fix the leak causing the damage. Mrs A by her own admission has said she's found dealing with them really challenging. There's a lot of evidence within Zurich file that shows it's found it frustrating and difficult getting the claim to move forward. I can't hold Zurich responsible for this of course.

Naturally Zurich couldn't start any of the rectification work until it received sufficient proof that the leak had been fixed. Zurich did receive a leak detection report in February 2025 which suggested the leak had been resolved. But Mrs A later advised that water was still coming into her property. And, as of May 2025, there was still a suggestion that there was still a leak. So I cannot say Zurich caused any undue delays in the handling of the claim – insofar as dealing with the rectification work – up to this point.

Mrs A has said that the condition of the property owing to the leak and the length of time the claim was taking had caused her health problems as she suffered from asthma and the delay in the claim had caused mould in the property. I can see that Zurich emailed Mrs A in September 2024 acknowledging she would need alternative accommodation during the repair process and asked if she had any specific accommodation requirements. But I can't see she responded to that or set out she needed alternative accommodation at that point.

Mrs A then advised Zurich on 29 October 2024 she'd had to move out of the flat due to the mould. Following this Zurich appointed a company to arrange suitable accommodation for her. While it's not always possible to arrange suitable accommodation instantaneously, I do think Zurich could have been more pro-active in ensuring this process moved more efficiently. Due to this, accommodation wasn't arranged for Mrs A until December 2024.

I can also see there were some times where Zurich and its agents didn't reply to Mrs A as swiftly as it could have done. However, there were some queries she was raising that it simply wouldn't be able to answer – such as providing a detailed analysis of precisely what work would be done and when.

While I don't think Zurich could have reasonably have done anything to get the repairs done before May 2025, I do think Zurich should pay Mrs A some compensation. But it's already offered her £500 which is in line with what I would have awarded. So I don't think it needs to pay more than this.

### **My final decision**

For the reasons I've set out above, it's my final decision that I consider Zurich Insurance Company Ltd's compensation offer of £500 to be fair. And I require it to pay this to Mrs A directly if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 15 December 2025.

**Guy Mitchell**  
**Ombudsman**