

## **The complaint**

Mr A complains about how Zurich Insurance Company Ltd (“Zurich”) handled a claim he made under a home insurance policy.

## **What happened**

Mr A reported a claim to Zurich in November 2024 after a flood from the flat above his caused damage to his property. Zurich appointed contractors to complete the necessary reinstatement and repair works but Mr A said there were delays and problems with the quality of the repairs carried out.

Mr A raised two complaints, which Zurich responded to in March and June 2025. They said the works were due to complete in March 2025, but they accepted there had been delays and some of the works were unsatisfactory and they also acknowledged there were issues with arranging alternative accommodation. Zurich offered compensation of £750 over the two complaint responses to reflect the impact their handling had. Mr A remained dissatisfied with the response to his complaints and how Zurich had handled the claim – so, he brought it to this Service.

An Investigator looked at what had happened but ultimately did not recommend that the complaint should be upheld. While she acknowledged there had been claim delays, the Investigator ultimately felt that Zurich’s total compensation award of £750 was fair and reasonable to reflect the distress and inconvenience caused. And in relation to Mr A’s concerns around accepting a cash settlement offer, the Investigator explained that this wasn’t a complaint point that had been raised to Zurich for them to respond to, so we couldn’t consider it as part of this complaint.

Mr A did not agree with the Investigator’s conclusions and asked for an Ombudsman to consider the complaint – so, 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 want to start by acknowledging that I’ve summarised Mr A’s complaint in less detail than he’s presented it, and I’ve not commented on every point raised. However, I want to assure him that I’ve read and considered everything that he’s provided and if there’s something I’ve not mentioned, it isn’t because I’ve ignored it. No discourtesy is intended by this; it simply reflects the informal nature of this Service in resolving complaints quickly and with minimal formality.

I also need to make it clear what I can consider as part of this complaint. As the Investigator has previously set out, we are unable to make a finding on the cash settlement aspect of the complaint, as that’s not a complaint point that was included in either of the complaints Mr A raised that Zurich responded to in March and June 2025.

As such, I will only be looking at whether Zurich's handling of the claim was fair and, if not, whether the compensation they have already paid adequately reflects the impact on Mr A. But I don't need to make an extended finding on whether Zurich's service fell short here, because they have already agreed their service wasn't to the level Mr A could expect during a claim. And they've awarded £750 compensation to reflect the impact their actions had. So, I've focused on the overall timeline of the complaint to consider what happened, and whether I think that's enough compensation to put things right.

Home repair claims, by the very nature, are disruptive. An escape of water claim, like the one Mr A raised, involved drying, building works and the presence of contractors to put things right - all of which were inconvenient and stressful to some degree. So, a normal level of disruption is unfortunately unavoidable and isn't something we'd expect an insurer to compensate a customer for. Therefore, my role is to consider whether there was additional distress and inconvenience; over and above what I would consider to be normal.

I've considered the claim history for the period I am able to look at. Having considered all the evidence, I'm satisfied there were delays and service failings at times, and Zurich has accepted that. And I can appreciate why delays in completing the works and issues with the standard of repairs, including concerns about the bathroom works and communication from contractors would have caused understandable upset, distress and inconvenience to Mr A. I can also see that Mr A remained in the property during the works, which likely would have added to the disruption he experienced. That means I'm satisfied a compensation award is appropriate here.

To be clear, this Service is not the industry regulator. We don't have the power to punish or fine businesses - that's the role of the Financial Conduct Authority ('FCA'). Our role is to resolve individual disputes by deciding what's fair and reasonable for the people involved. We can award compensation for the impact businesses' actions have had on the customer, as well as for direct financial losses. But those awards are intended to put things right for the customer - they are not designed to penalise a business.

I think Mr A has suffered from distress and inconvenience during the life of this claim. I haven't detailed everything here, as both parties are aware of the history, but I've considered everything he's said about the impact to him. I do not doubt this situation has been stressful and frustrating for Mr A to deal with. But having considered his testimony as well as the period of time I am able to consider, I'm satisfied the total compensation award Zurich has already paid of £750 is fair and reasonable in the circumstances and reflects the impact their actions had on Mr A for the period I am able to consider.

I appreciate this may not be the level of compensation Mr A might have hoped for, and it may not ultimately change matters for him, given his concerns over the cash settlement issues, which I am unable to consider as part of this complaint. But I consider the total compensation award to be in line with the level of compensation appropriate to these issues, and I'm satisfied this produces a fair and reasonable outcome in this particular complaint.

So, taking everything into account, while I acknowledge Mr A has suffered additional distress and inconvenience during this claim, I'm satisfied Zurich has done enough to put things right. So, I won't be directing them to increase the compensation already paid.

### **My final decision**

For the reasons I have set out above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 14 April 2026.

Stephen Howard  
**Ombudsman**