

The complaint

Mr C complains about repairs carried out by Zurich Insurance PLC trading as Zurich Municipal's contractor after a claim was made under a buildings insurance policy.

Any reference to Zurich includes the actions of its agents.

What happened

Mr C's property is covered by a buildings insurance policy taken out by the freeholder and underwritten by Zurich. As the policy covers damage to Mr C's property, the policy is partly for his benefit.

A claim was made after an escape of water caused damage to Mr C's property. Zurich accepted the claim, and arranged for its contractor to carry out repairs. Mr C also arranged for that contractor to do some separate non-insured repairs for him.

Mr C complained to Zurich about the contractor's work. Zurich looked into the matter and concluded the insured repairs had been dealt with as it would expect. It noted Mr C had raised some concerns about the electrics, and said if he obtained an electrical inspection that showed there were issues related to the insured repairs, it would consider the matter further. Zurich offered Mr C £200 compensation for the time it had taken to respond to his complaint. Mr C brought his complaint to the Financial Ombudsman Service.

Our investigator didn't recommend the complaint be upheld. She said we couldn't comment on the non-insured repairs that had been carried out. She thought it had been reasonable for Zurich to ask that Mr C obtain an electrical report before doing anything further in respect of the electrical problem.

Mr C didn't accept our investigator's findings, and so the matter has been passed to me for a 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.

I've summarised the complaint above in far less detail than the parties have done. That's not meant as a discourtesy, it simply reflects the informal nature of the Financial Ombudsman Service.

Mr C is unhappy about the standard of the contractor's work in respect of the non-insured repairs, as well as the rates he was charged. However, Zurich had no involvement in this arrangement and therefore cannot be held responsible for any issues with the contractor's non-insured work.

Mr C has also raised concerns about the electrics, as there's an issue with a circuit. As I understand it, part of the insured repairs included replacement of light fittings and work related to the electric shower.

The contractor installed a new consumer unit as part of the non-insured repairs, and this apparently contained a protective device which shows faults. The contractor said the electrical problem is a pre-existing issue with Mr C's cooker as it's very old and is causing the consumer unit to trip, and that this is not related to the leak.

Zurich has asked Mr C to obtain an independent electrical report to establish what the issues are, and if these are found to be related to the insured works, it says it will consider the matter further. I think that seems fair, particularly as Mr C is concerned about the independence of electricians used by Zurich. I note that Zurich has confirmed it will cover the cost of an electrician's report, but wants Mr C to confirm the cost with Zurich once he has a quote. Mr C has asked us if the electrician can invoice Zurich directly – he can discuss this with Zurich when he provides it with a copy of the quote.

Mr C has concerns that a testing certificate provided by the contractor has been falsified. We raised this with Zurich, and it put his concerns to the contractor, but they deny this. I can't tell from the document if it has been falsified, and so I'm not going to make a finding on this.

Mr C says the contractor included repairs in the scope of works that weren't completed (for example, dismantling and replacing a wall). He advised Zurich of his concerns. Zurich said it was satisfied the costs in the scope of work were valid and were what it would expect to pay for a claim of this type. It also said it recognises the narrative within the scope isn't always 100% reflective of the work completed, and that the loss adjuster visited the property before agreeing to the scope of works. As Zurich doesn't share Mr C's concerns about the scope of works, I don't need to consider this further.

Mr C told Zurich there is a very slight second leak. I understand he thinks this because there is some slight discolouration to a join between a wall and a ceiling. Mr C says this leak must arise out of the acts or omissions of the contractor. However, Mr C hasn't shown that there is a leak or if there is, that it was caused by the contractor whilst carrying out the previous insured repairs. So I can't fairly conclude that Zurich should put this right as part of the previous claim. I would suggest that Mr C arrange for a plumber to attend to find out if there is a leak, as the loss adjuster previously advised. If so, he can raise a new claim with Zurich.

If it is found that a second leak was caused by the contractor whilst carrying out the previous insured repairs, then I would expect Zurich to deal with it as part of the previous claim, rather than require Mr C to pay a new excess.

Mr C says four drying machines were installed at the property for a month, and Zurich told him he'd be reimbursed for the cost of the electricity. As our investigator has said, Mr C should submit his electricity bills to Zurich so it can arrange reimbursement.

Mr C has also raised concerns about debris being removed from the property and left in the garden for months, which he says damaged the grass. The contractor denies this and says it aims to clear waste from a site within days. I don't know whose recollections are correct here. Though it's also the case that, whilst Mr C maintains it was debris from insured work that caused damage to the grass, there would have also been debris from non-insured work. I can't be sure what caused the damage to the grass. Taking this into account, I don't think it'd be reasonable for me to require Zurich to put this right.

I see that Zurich offered Mr C £200 compensation for the time taken to respond to his complaint. Mr C hasn't raised concerns about this delay, and so I haven't considered this. If Mr C hasn't accepted Zurich's offer of compensation for this and would like to do so, he should contact Zurich directly.

Mr C told our investigator the insured work remains unfinished, as there's a hole in a wall and gaps around electrical sockets.

I see that Zurich thought it would be sensible to wait until the electrician had attended to carry out an inspection before arranging for the sockets to be put right (in case the electrician needs to remove these), and that seems reasonable to me. Though it's not clear if the replacement of the sockets was carried out as part of the insured repairs or non-insured repairs. If the former, then once the electrician has attended for their inspection, Mr C should contact Zurich so it can arrange for this to be put right.

Mr C says that on 16 July 2022 the contractor left a hole in an internal wall through which cables pass. I would assume this relates to the non-insured electrical repairs that were carried out that day. But if that's not correct and Mr C thinks this hole was opened as part of the insured repairs, I suggest he contacts Zurich to explain why he thinks that is the case, so Zurich can look into this further.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 26 March 2024.

Chantelle Hurn-Ryan
Ombudsman