

The complaint

Mrs S complains that Zurich Insurance Plc (Zurich) failed to carry out effective repairs following a claim for damage to her garage, under her home buildings insurance policy.

What happened

Mrs S's garage roof was damaged. She made a claim to Zurich, but it declined to cover her loss by relying on a gradual cause exclusion. Mrs S complained to Zurich, and this was eventually referred to our service. We issued a decision in January 2021 upholding the complaint. The decision required Zurich to settle the claim for damage to Mrs S's garage in line with the remaining policy terms.

Mrs S says she's had to deal with a number of different parties in order to have the damage repaired. Repairs have now been carried out. But she says water hasn't stopped entering her garage. Mrs S says Zurich didn't tackle the main reason for the roof collapse and has since told her she can't claim again for her garage.

In its final complaint response, in February 2023, Zurich says repairs to the neighbouring garage needed completing before work commenced on Mrs S's property. It says there were complications, and this took some time. In April 2022 it was informed the repairs were completed. It instructed a surveyor who then confirmed the repair work required to Mrs S's garage. This work was completed in late October.

Zurich says Mrs S reported continued problems with water ingress into her garage after the repairs were completed. It responded to say its policy doesn't cover the neighbouring garage. It told Mrs S she should contact the property manager responsible for this.

Zurich says the surrounding garage roofs, to which Mrs S's garage is connected, are in a poor condition. It says the problem now relates to the neighbouring garage.

In its response Zurich says the roof over the insured garage has been replaced. This means the 'defect' has been remedied. It acknowledged it had caused delays in the claim being progressed. This delayed matters for around nine months. Zurich offered Mrs S £500 compensation to acknowledge the distress and inconvenience this caused.

Mrs S didn't think Zurich had treated her fairly and referred the matter to our service. Our investigator didn't uphold her complaint. She says Zurich did as much as it could to repair the damaged garage. She didn't think it could've carried out the repairs more effectively in these circumstances.

Mrs S disagreed and asked for an ombudsman to consider her complaint.

It has 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.

Having done so I'm not upholding Mrs S's complaint. I understand this has been a frustrating and complicated issue for her to try and resolve. I'm sorry to disappoint Mrs S but I'll explain why I think my decision is fair.

I can see that Zurich contacted Mrs S in February 2021 after our ombudsman had provided a final decision to her initial complaint. It asked her to confirm if her neighbour's repairs were completed. Zurich said to mitigate future losses it needs confirmation these repairs are complete, prior to it authorising the repair work to Mrs S's garage.

The records show Mrs S was in contact with her neighbour (a tenant at the property), as well as her own landlord and the owner of the neighbouring garage. In her correspondence she emphasised the need for the repairs and the impact this was having on her property. I can see that responses took a long time. And it required a significant effort on Mrs S's part to progress matters. I can understand that this must've been very frustrating for her. But I also acknowledge Zurich's point, that its policy only covers Mrs S's property not her neighbours.

Correspondence from April 2021 shows the owner of the neighbouring garage had arranged for the damage to be inspected by a builder. Repairs were also carried out at this time. I can see an email from Zurich's agent to Mrs S (also around this time). It asked her to confirm if the neighbouring garage repairs were sufficient to allow repairs to her garage. She responded to say she isn't qualified to confirm this information. Zurich responded to say a builder will be able to advise if works are sufficient to continue with the repairs. It offered to appoint a builder on Mrs S's behalf if this was needed.

A surveyor was appointed by Zurich in September 2021 given concerns about whether repairs to the neighbouring garage were sufficient. The surveyor's report says:

"The adjacent property has undertaken some re roofing works and the standard of workmanship is very poor. The covering has not been bonded to one another and therefore likely to have caused water ingress...Having consideration to the complexity and nature of the repairs required, and taking into account the needs of the customer, we consider that the following Repair Delivery route is most appropriate should the repairs progress to fulfilment: Surveyor to manage the contractor directly and report back to the Adjuster. Surveyor to conduct weekly or bi weekly site visits and to provide a brief report. Initially several visits will be required as the strip out work is undertaken to ascertain the extent of the damage."

I can see from the claim records that there were delays in appointing a contractor. When a contractor attended it was recommended that repairs were carried out to the neighbouring garage at the same time. Zurich advised it wasn't responsible for the neighbouring property. There were further discussions around repairs being carried out to the adjacent garage.

It took a number of months before matters progressed. I note Zurich's comments that it accepts responsibility for some of these delays.

A schedule of works was eventually produced in August 2022. This set out the repairs that Zurich's contractor would complete. It details Mrs S's concerns about 'felt work' repairs to the neighbouring garage. It also says the felt hasn't been stuck down and is, 'only one layer'. The schedule of work confirms the damaged sections of roof are to be replaced. It says the roof will be re-covered and will overlap onto the existing roof felt to achieve a watertight seal.

I can see that the repairs to Mrs S's garage were completed toward the end of October 2022.

After receiving Mrs S's contact about continuing water ingress, Zurich instructed a surveyor to inspect her garage in January 2023. The following comments were made:

"The garage sits amongst a block of garages of 10 long with the two rows of garages 'back to back'.

The garages are in a wide range of condition, some with roof collapses, all with a mixture of roof coverings and ages. The roof adjacent to the insured's garage is in a poor condition with the roofing felt not even bonded down and can be lifted by hand. Additionally there is a gutter on the middle of the roofs. The outlet pipe is within the neighbours garage. Given the damp ingress here I would suspect that there are issues with the internal down pipe - likely to be disconnected. This is why the wall is saturated.

Really, all garage roofs should be replaced, internal down pipes checked and connected up to the roofing system properly, and secured internally. Until such time as this is completed there will always be issues, as the other neighbouring roofs are out of our control.."

I've looked at the photos accompanying the surveyor's comments. I think this reasonably supports his description of the layout of the garages and their condition. I note the surveyor was asked if the repairs were carried out to the specification expected and if they were of a reasonable standard. His response was, *"I have no issue with the work conducted by [contractor]"*. The surveyor also responded to say, *"The roof covering has been replaced over our garage and as such the defect has been remedied. The surrounding roofs were and are still in a poor condition. The issue is now with the garage to the right of our's [sic] - poor roof covering, loose or no connected internal down pipe"*.

I've thought carefully about whether Zurich has treated Mrs S fairly here.

This was a complicated situation given the co-dependency Mrs S's garage has to the condition of the neighbouring garages. It hasn't been straight forward for Mrs S to identify the parties involved. Communication has clearly been difficult and protracted. I'm sorry that she's had such a difficult and frustrating experience when trying to arrange an effective repair to her garage roof.

That said, Mrs S's policy with Zurich covers her property not her neighbours. We expect an insurer to put in place effective and lasting repairs in response to a loss claim. However, there are limits to what Zurich is able to do. It can't reasonably be expected to arrange or pay for repairs to a property that isn't covered by its insurance policy. Even where the defects thought to exist in a neighbouring property impact on its insured's property.

I think it's reasonable that repairs were delayed until the neighbouring garage had undergone repairs. The decision to carry out the repairs, and what this entailed, was based on the expert opinion of Zurich's surveyor and appointed contractor. Based on what I've read I don't think Zurich acted unreasonably or that it could've done more when arranging these repairs. I think it acted fairly considering the requirements of Mrs S policy and in carrying out repairs to the roof of her garage.

I acknowledge Mrs S's comments that the damage, *"hasn't returned"* as Zurich claims, but that, *"it was never repaired"*. I disagree. The damage to Mrs S's property was repaired. It appears that there is a defect with the neighbouring garage that is causing water to ingress into her property. But this is outside of Mrs S's property boundary. This isn't something Zurich is responsible for repairing under its policy.

Mrs S says she's not asking for £500 compensation, all she wants is for the water to stop entering her garage.

It's evident from the claim records that there were delays on Zurich's part when handling Mrs S's claim. I note her comments that she only wants the water ingress to stop. But I think it's reasonable that Zurich compensates her for its part in the delayed progression of her claim. I think its offer of compensation is fair.

I've read the lease documentation Mrs S provided. I note her comments that Zurich is also the insurer for the landlord of her neighbour's garage. She says the lease agreement gives the lessor "*or its servants or agents with or without workmen*" the right to enter the garage and, twice in every year view and examine the condition it's in. I note her comments that she does everything she can to, "*mitigate, control and repair*" her flat and garage.

I've carefully considered Mrs S's comments, along with her lease agreement. But I don't think this shows Zurich treated her unfairly regarding her claim. Or in relation to the repairs it arranged to her garage roof. The lease agreement may allow certain access to a lessor. But any repairs or access to the neighbouring garage isn't something Zurich is responsible for. Zurich is only responsible for the loss claim relating to Mrs S's property. It must deal with the claim in line with its policy terms and conditions, which I think it has. Because of this I don't think Mrs S has shown that Zurich treat her unfairly.

Although I'm sorry for the ongoing problems Mrs S has with water ingress to her garage, I don't think Zurich treated her unfairly for the reasons I've discussed. So, I can't reasonably ask it to do anymore.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 16 October 2023.

Mike Waldron
Ombudsman