

The complaint

Mr and Mrs G are unhappy with the time taken by Zurich Assurance Limited to put cover in place in respect of a decreasing life and critical illness policy ('the policy') they'd applied for.

What happened

Mr and Mrs G applied for the policy, and it took around five weeks for cover to be confirmed. By this time, Mr and Mrs G's son had become unwell. They say they were prevented from making a claim for the children's benefit on the policy because of the delay in confirming cover.

Zurich accepted that there had been some delays and offered £100 compensation to reflect that. Mr and Mrs G don't think that's fair and brought a complaint to the Financial Ombudsman Service.

Our investigator looked into what happened and didn't think Zurich had to do anything more to put things right. Mr and Mrs G disagreed so their complaint has been passed to me to consider everything afresh 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.

Zurich has an obligation to treat customers fairly.

Zurich accepts that there were delays in this case. It's offered £100 compensation. So, I think the crux of the issues I need to determine is whether:

- the delays caused by Zurich meant that cover wasn't in place at the time Mr and Mrs G's son fell ill. And as result whether Mr and Mrs G unfairly lost out on the opportunity of making a claim on the policy for the children's benefit.
- £100 fairly reflects the distress and inconvenience experienced by Mr and Mrs G because of the delays caused by Zurich.

I'm satisfied that Mr and Mrs G's application for the policy was received on 12 September 2022. Mr G declared a family history of bowel cancer, that he'd been advised to attend a one-off bowel screening and that all screening results had been normal to date. He also declared the age of the relative affected by bowel cancer when diagnosed.

Upon receipt of the application, I don't think Zurich has acted unreasonably by wanting to obtain a medical report from Mr G's GP to check the screening results. I'm satisfied that it promptly requested this from the GP and chased for a response at the end of September 2022.

Zurich accepts that there was a delay in chasing his original GP surgery for the requested medical evidence and it fell outside a reasonable turnaround time.

However, I'm satisfied that around the start of October 2022 Zurich was told by the GP practice that Mr G was no longer registered there. I'm also satisfied that it promptly requested details from Mr G of his new GP's address which he provided.

I know Mr G says that he contacted the GP surgery on or around 17 October 2022 and they said they hadn't received anything from Zurich but I've seen a copy of the letter Zurich says it sent and on the balance of probabilities I'm satisfied that it did request information from his GP on or around 4 October 2022. It also sent a letter cancelling the request on 19 October 2022, once the application was accepted which I think supports that the initial letter was sent.

Prior to this, Zurich accepts that Mr G contacted it on 21 September 2022 to explain that he also had a predictive genetics test due to the family history of bowel cancer and the results were negative.

Zurich accepts that there was an unreasonable delay in passing this information to its underwriters due to "human error". It didn't do so until Mr G called Zurich on around 26 September 2022 for an update.

I've seen an email dated 29 September 2022, from Zurich to Mr G, reflecting that it would still require a medical report from his GP but if he sent a letter from the geneticist, it may be able to assess the application without the need of medical report.

Mr G provided the genetics result letter on 17 October 2022 and in light of this, Zurich accepted cover the next day.

Mr G says that his very young son sadly became very unwell in early October 2022 and in his email Zurich dated 17 October 2022 he says this happened in the last ten days. So, I'm satisfied that's around 7 October 2022.

By this time, Zurich hadn't received a medical report and although it told Mr G on 29 September 2022, that it would consider a letter from the geneticist about the negative results of his predictive genetics test, this wasn't received until 17 October 2023.

Had Zurich been more proactive in chasing the GP surgery for the medical report, it's possible that it would've received confirmation it required before Mr and Mrs G's son became unwell and that cover would've been in place by that time. However, on the balance of probabilities, I don't think that's what most likely would've happened. Particularly, as the first GP surgery it contacted said Mr G was no longer registered there and the second GP surgery still hadn't replied by the time Zurich had accepted the application for the policy two weeks after.

And even if the information about Mr G having had a negative predictive genetics test had been passed on to the underwriters sooner, as Zurich accepts in its final response letter dated January 2023 – and Mr G had been asked to provide the letter from his geneticist earlier - I'm not persuaded that this would've been sent to Zurich before Mr and Mrs G's son became ill. That's because it took almost three weeks for Mr G to send that information to Zurich from the date it was requested.

So, I'm satisfied that even if Zurich hadn't caused some delays in this matter, cover is unlikely to have been in place by the time Mr and Mrs G's son became unwell. And therefore, I don't think they would've been in position to make a claim under the policy for the children benefit.

Overall, I'm satisfied that Mr and Mrs G were put to some upset in having to chase Zurich for updates and that would've also caused some inconvenience. However, I'm satisfied Zurich's offer of £100 fairly reflects this impact.

Mr and Mrs G have also recently said that they tried to add fracture cover to the policy and they have had trouble doing so due to errors made by Zurich. That's not something I've looked into as it didn't form part of their original complaint and isn't address in the final response letters I've been provided with. If Mr and Mrs G remain unhappy about this, they are free to raise a complaint with Zurich in the first instance.

My final decision

I don't uphold this complaint. Zurich Assurance Limited doesn't need to do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs G to accept or reject my decision before 25 March 2024.

David Curtis-Johnson
Ombudsman