

## **The complaint**

Mr M is unhappy with what Zurich Insurance PLC did after he claimed on his Trades and Professions business protection insurance policy.

## **What happened**

Mr M carried out building work at a property which was completed in 2013. In March 2019 he was informed of a problem with plastering work at that property. In April 2022 solicitors for the owner contacted him to say it would advise them to take legal proceedings if remedial work wasn't carried out. Mr M subsequently sought assistance from his policy with Zurich.

Zurich turned down the claim. It said Mr M's policy with it began in July 2019 and it wouldn't provide cover as it related to work carried out and completed some years before the policy was taken out. It thought the insurer of the policy in place when the work took place should take responsibility for the claim.

In her most recent view our investigator said Mr M had evidenced his policy with Zurich began in July 2017. So the claim against him had been made while cover was in place with it. In response Zurich accepted the claim did fall within its period of cover. But it didn't think it was one Mr M's policy would cover. Our investigator said Zurich would need to explain its position on that to Mr M. If he disagreed that was something which could be considered as part of a fresh complaint. She also said Zurich should pay him £200 in recognition of the distress and inconvenience he was caused as a result of his claim being turned down based on incorrect information about the policy start date.

Mr M didn't have any further comments. Zurich didn't respond. So I need to reach a final 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.

The relevant rules and industry guidelines say Zurich has a responsibility to handle claims promptly and fairly. It shouldn't reject a claim unreasonably.

The sections of the policy which appear most relevant to the claim Mr M was seeking to bring cover accidental damage to property "*occurring during the period of insurance*". It's now clear from information Mr M has provided that, contrary to what Zurich appear to have thought, his policy with it began in July 2017.

And the property damage which his claim relates to happened after that. So it appears that (and I understand Zurich now accepts) the claim would fall within its period of cover. I think the correct start date of its own policy is something Zurich should have known or established from the outset. I think not doing so has caused Mr M some unnecessary distress and inconvenience for which a payment of £200 is appropriate.

Zurich has queried whether the claim Mr M is seeking to make is nevertheless an insured event under the policy and has raised other concerns about policy coverage (for example in relation to notification). I understand those concerns but those aren't points it has explored with Mr M to date. In fact, it's not clear to me Zurich has ever asked Mr M what the claim he's seeking cover for actually is. So Zurich will need to establish that and then consider whether his claim is one his policy covers and, if so, whether it's caught by any of the exclusions or conditions of the policy. If Mr M is unhappy with any new decision it makes on policy coverage that's something which could form part of a fresh complaint.

### **Putting things right**

Zurich will need to establish from Mr M exactly what he's seeking cover for and then let him know whether that's something his policy covers. It will also need to pay him £200.

### **My final decision**

I've decided to uphold this complaint. Zurich Insurance PLC will need to put things right by doing what I've said in this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 18 November 2024.

James Park  
**Ombudsman**