

## The complaint

G, a limited company, complains about what Zurich Insurance PLC did after it made a claim on its business interruption insurance policy.

## What happened

G has insurance with Zurich which includes business interruption cover. In April 2021 it claimed on its policy for damage following a leak at its business premises. That claim has been settled. In February 2022 G made a business interruption claim as it said it wasn't able to resume trading until the end of September 2021. G subsequently complained about delays in progressing that claim. Zurich issued a final response in November 2022. Those issues weren't referred to us within six months of that letter being sent and aren't ones I'm considering in this decision.

Later in November 2022 Zurich asked for further information about the business interruption claim including a 'Disclosure and Barring Service' check on G's director (Mr K) so it could establish whether any previous convictions had been correctly declared when the policy was taken out. In March 2023 G's loss assessor said it was no longer acting for it so Zurich requested the information from Mr K. Due to ill health he didn't respond until November and DBS information wasn't provided until February 2024.

Zurich said that didn't make clear whether the listed convictions were spent when the policy was taken out. Mr K provided further information. After reviewing that Zurich wrote to him in October 2024 and said there were concerns that his criminal history was "vast" and it required further clarity on this to establish what should have been disclosed when the policy was taken out. And it explained what information was required.

Our investigator didn't think there had been any delays for which Zurich was responsible from November 2022 until March 2024. And while it had taken Zurich a significant period of time to review the information Mr K provided in March 2024 she didn't think that was unreasonable given the lack of clarity and inconsistencies in the material it had been provided with. And she was satisfied that, based on the evidence provided to it, Zurich had correctly set up the policy in the name of G (rather than a separate but similarly named company which Mr K wasn't a director of).

G didn't agree. It said it had taken Zurich too long to progress its business interruption claim and it had provided the required information in relation to the DBS check. And it thought Zurich had got mixed up with the identity of the correct company as it had said in correspondence that Mrs K (Mr K's mother) was the policyholder). It also said the lease for its business premises was in the name of the other company.

Our investigator asked G if it could provide any evidence of the DBS information it had provided to Zurich. However, it hasn't provided any further information on that. So I need to reach a final decision based on the evidence that is available.

## 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.

I've considered first whether it was reasonable of Zurich to request DBS information about Mr K. He argues it wasn't because the policy was wrongly set up in the name of G and should have been set up in the name of a different company (which he wasn't a director of). As a result any convictions he had wouldn't need to have been declared when the policy was taken out.

However, I don't think there's been any error by Zurich here. The policy schedule is clear that G is the insured. And I haven't seen anything to indicate Zurich should have set the policy up in the name of a different business. Mr K says the lease for the business premises was in the name of the other business. But Zurich has provided a copy of the lease it was provided with when the policy was taken out which is clearly in the name of G. I also note that when Mr K was interviewed about the business interruption claim he's recorded as saying that "*the policy of insurance I am claiming against is for my business named as [G]*". He's also recorded as saying that the lease for business premises was in G's name.

I've not seen evidence to show either Mr K or Mrs K asked Zurich to set the policy up in the name of the other business. I understand the policy G initially took out in March 2020 was cancelled due to non-payment. And a new policy was taken out the following day. But I haven't seen any evidence that Zurich was asked to do so in the name of the other business. And I think it unlikely either Mr K or Mrs K would have been in a position to do so given at the point this policy was taken out neither of them are listed on Companies House as being directors of that business (Mr K is listed as a director of G).

I appreciate in an email in May 2022 Zurich did refer to Mrs K as "*our insured*" but it also went on to make clear that she was trading as G. In any event it's the policy schedule which determines who the insured party is and that clearly says it's G. If that didn't match with who Mr K thought the correct insured should be I'd have expected him to query that with Zurich at the time. He didn't do so. And if Mr K believes the policy was wrongly set up as a result of an error by his broker then, as our investigator had explained we can consider that issue separately against that business.

However, for the reasons I've explained I don't think Zurich did anything wrong in regarding G as the insured business in this case. And that means the questions it asked when the policy was taken out relating to "*any proposer / director / partner of the business / practice*" would apply to Mr K's circumstances at that time. Those questions include whether any of the listed people "*has non-motor convictions or criminal offences or has non-motor prosecutions pending*". The 'Statement of Fact' issued with the policy says that was answered '*no*' I don't think it was unreasonable that after G made its business interruption claim Zurich sought a DBS check from Mr K (in November 2022) so it could establish whether that question had been answered correctly.

And information about that wasn't provided to it until February 2024. I've seen a copy of what Mr K provided and I understand why Zurich had concerns about this information. The information does indicate that Mr K had a reasonably extensive criminal history and doesn't make clear which (if any) of those convictions were spent meaning they might not need to have been declared when the policy was taken out. And the information in any case appears to be a 'Word' document which is unusual and doesn't constitute a formal DBS certificate. So I think it was appropriate Zurich asked further questions of Mr K about this.

I haven't seen evidence to show that Mr K then addressed the outstanding issues. And while it does appear to have then taken Zurich some considerable time to provide a further response to him it says that's because it was making ongoing inquiries into the claim with G's broker. Even if I was to conclude there had been avoidable delay here G hasn't evidenced that, after Zurich explained what information it required to progress the claim, it provided that to it. As a result I'm not satisfied that, even if Zurich had provided G with a quicker response, it would have been in any different position. Taking all of that into account I don't think there's anything Zurich needs to do to put things right here.

### **My final decision**

I've decided not to uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask G to accept or reject my decision before 28 May 2025.

James Park  
**Ombudsman**