

## **The complaint**

P, a limited company, complains about what Zurich Insurance Company Ltd did after it made a claim on its Commercial Combined policy.

P is represented by one of its directors, Mr M.

## **What happened**

In December 2022 P claimed on its policy following a break in at its premises which caused damage to key pieces of business equipment. Zurich appointed a loss adjuster who visited the premises in early January. The claim value then led to this being escalated and a different loss adjuster met with Mr M later in January.

After obtaining further information the loss adjuster submitted an interim report on 14 February. Towards the end of February the matter was moved to claims investigators within Zurich who sought to arrange a visit and interview with Mr M. That took place at the start of April. After that Zurich sent a detailed list of the information it now required to P.

In response to the complaint Mr M made about the time taken to progress his claim Zurich didn't consider there had been any unnecessary delays. But it accepted the loss adjuster hadn't been clear about when he would submit his interim report. It offered to pay P £150 in recognition of the inconvenience that caused it.

Our investigator thought, given the value and complexity of P's claim, it was reasonable Zurich wanted to investigate the circumstances in more detail. She didn't think there had been any significant delay by Zurich in doing so. And it wasn't unreasonable a further site visit was required after the claim was moved in house at the end of February 2024. She also thought Zurich had kept P updated with progress. She agreed the loss adjuster should have been clearer about when his report would be submitted but thought the £150 Zurich had offered for this fairly reflected the inconvenience P was caused by that.

Mr M didn't agree. He thought as Zurich had done something wrong his complaint should be upheld. And he highlighted the impact the time taken to deal with his claim had on both P and on him. 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.

I appreciate Mr M feels this claim should have been dealt with a lot more quickly. And he's highlighted the impact not receiving payment from Zurich had on P's ability to trade. I was sorry to learn of the difficulties all that has caused. But having reviewed the progress of the claim I haven't identified significant delays in this being moved forward for which I think Zurich was responsible.

It appointed a loss adjuster promptly on being notified of the claim who then carried out a site visit. That established clearer information on the value of the claim which led to it being escalated to a different loss adjuster. I don't think there was any significant delay in the new adjuster taking action; he arranged a further visit and submitted his interim report to the insurer around two weeks after receiving required information from P.

Following review of that report Zurich decided to allocate the matter to its own claims investigators. I appreciate that meant a further site visit needed to take place but I don't think that was unreasonable given this does appear to have been a complex and high value claim. I also think it was reasonable of Zurich to then seek further information from P in order to address what it described as "*serious, legitimate and unresolved concerns*" about the claim and information supplied about the replacement of damaged equipment. I also agree it provided appropriate updates to P on the progress of the claim.

However, it's clear the loss adjuster did indicate to P on 18 January that his interim report would be submitted to insurers around that time. That wasn't correct as further information and review was required before he could do so. I appreciate subsequently realising the report hadn't been submitted will have caused P some avoidable inconvenience. But I think the £150 Zurich has already offered does enough to recognise the impact on it of that.

Mr M has also drawn attention to the impact on him personally of what he believes Zurich got wrong. For the reasons I've already explained I don't think there has been significant delay by Zurich here. But, in any case, I wouldn't be able to make any award for how Mr M had been affected. That's because this complaint isn't one he's making in his own right but as representative of P. And it's the 'eligible complainant' in this case. That means it's only the impact on P I can consider not any distress Mr M may have been caused personally. And a limited company isn't a natural person and so can't suffer distress in the way an individual can. It could be caused inconvenience but, as I've already said, I think the amount Zurich has offered in relation to this is fair.

I know P has ongoing concerns about the progress of its claim and what happened after Zurich issued its final response on 15 April 2024. However, I understand those issues are being considered by Zurich as part of a separate complaint. So if P remains unhappy once Zurich has responded to that (or has had an opportunity to do so) that's something it could ask us to consider as part of a fresh complaint.

### **My final decision**

Zurich Insurance Company Ltd has already made an offer to pay £150 to settle the complaint and I think this offer is fair and reasonable in all the circumstances. So my decision is that Zurich should pay P £150.

Under the rules of the Financial Ombudsman Service, I'm required to ask P to accept or reject my decision before 12 September 2024.

James Park  
**Ombudsman**