

## The complaint

A limited company which I'll refer to as "N" complains about Society of Lloyd's ("SoL") decision to decline a claim it made on a professional indemnity insurance policy.

Mr C brings the complaint on behalf of N.

## What happened

The details of the complaint are well known to both parties, so I won't repeat them in full again here. Instead, I'll focus on providing my reasons for my decision.

In summary, the policy insures N when providing project management services. SoL say the claim made against N relates to its role as a contractor in the renovation of a property. And therefore, it says no cover is provided by the policy for this.

Our investigator looked at the complaint and they explained to N why they did not think SoL had acted incorrectly.

## 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 agree with the conclusion reached by the investigator for the following reasons:

- The policy contains an insuring clause which says, "*We agree to indemnify the Insured, up to the Limit of Indemnity, against civil liability for compensation to any third party arising from any Claim as a result of the conduct of the Insured's Professional Service*". Here the professional service is listed as project management.
- SoL obtained the opinion of a barrister as to N's role in the contract it entered into with the third party, which subsequently gave rise to the claim against it. The barrister concluded that N's role primarily was as a contractor not a project manager.
- I understand Mr C has strong views about why the barrister's opinion maybe incorrect, and he's put forward that N had different roles in the project itself. However, it is not my role to question the barrister's opinion or to decide which 'role' the claim against N arose from. My decision here focusses on whether I think SoL has acted reasonably in declining the claim.
- Here, given the various arguments that have been put forward I think it was reasonable for SoL to obtain the opinion of a barrister. And having read it, I think it is well reasoned and doesn't appear obviously wrong. As such, I don't think it was unreasonable for SoL to rely on the barrister's findings when making the decision to decline the claim.

- I understand Mr C is unhappy that SoL have put forward various reasons why it does not think the claim is covered under the policy and it has cited other exclusions within the policy that it thinks would operate even if N was providing project management services. I can appreciate the frustration this will have caused. However, for the reasons set out above, I'm satisfied SoL has acted fairly and reasonably in declining the claim.
- Mr C has said, given the commentary around the role N performs it appears the policy was potentially mis-sold as it was not fit for purpose. This isn't a complaint I have considered here, and he would therefore need to take this up, on behalf of N, with the entity which sold the policy to it.

For the reasons above, I do not uphold this complaint.

### **My final decision**

My final decision is that I do not uphold N's complaint against Society of Lloyd's.

Under the rules of the Financial Ombudsman Service, I'm required to ask N to accept or reject my decision before 18 August 2023.

Alison Gore  
**Ombudsman**