

The complaint

The estate of Mr P are unhappy with the service they received from Zurich Insurance PLC and that they've refused to settle a claim they wanted to make on the late Mr P's travel insurance policy.

What happened

Mr P sadly died very unexpectedly. Mr P's son contacted Zurich to let them know. Zurich asked to see some documentation and then asked if any claims were to be made. Mr P's son confirmed that no claims were going to be made. The policy was cancelled, and a refund was issued.

Within a few days it became apparent that there was a potential claim on the policy for costs Mr P had already paid. Zurich said it couldn't consider the claim as the policy was cancelled. The estate of Mr P complained to Zurich, but they maintained their decision to decline the claim. Unhappy, they complained to the Financial Ombudsman Service.

Our investigator looked into what had happened and didn't uphold the complaint. She thought Zurich had acted reasonably as they'd checked if there were going to be any claims before cancelling the policy. So, she didn't think Zurich had acted unreasonably by declining to reinstate the policy and cover the claim.

The estate of Mr P didn't agree and asked an ombudsman to review the complaint. They highlighted that they had recently suffered a sudden bereavement and realised within a very short period of time that they would need to claim. They also subsequently highlighted that they'd received a further document from Zurich and questioned if the policy had actually been cancelled. Zurich clarified that this had been generated automatically when documents were sent to The Financial Ombudsman Service.

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.

I'm sorry to hear of the circumstances of this complaint, particularly given that Mr P's death was sudden and unexpected. I empathise with what the estate of Mr P have said about this and would like to offer my condolences to them.

The relevant rules and industry guidelines say that Zurich has a responsibility to handle claims promptly and fairly. And they shouldn't reject a claim unreasonably. At the time that the estate wanted to make a claim the policy had been cancelled. So there was no contract of insurance in place. Therefore, there was no obligation for Zurich to pay the claim.

I've also considered what's fair and reasonable in the circumstances of this complaint, including what happened when Mr P's son contacted Zurich to notify them of Mr P's death. They checked whether any claims were to be made and were told there wasn't. They then promptly issued a refund. So, I think Zurich treated the estate fairly and I don't think it would

fair and reasonable to direct them to pay the claim.

I think it is most likely that the correspondence more recently received is an administrative error, linked to Zurich producing documents to provide to The Financial Ombudsman Service. I'm not considering a complaint about this particular point as the estate would need to complain to Zurich first. However, this further information hasn't persuaded me that it's fair and reasonable to conclude the policy was cancelled. I think it was and that's also reflected in the refund of the premiums given.

I've also considered what Mr P's son has said about being referred to by his father's name repeatedly during a call. Zurich accepted that happened and I can see that they offered an apology in their final response letter. The estate of Mr P, including Mr P's son, bring the complaint on the late Mr P's behalf as they are authorised in law to do so. Therefore, the Financial Ombudsman Service cannot compensate an executor for any impact experienced by them personally when representing the estate. So, I don't think Zurich need to do anything further to put things right here.

My final decision

I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mr P to accept or reject my decision before 27 December 2023.

Anna Wilshaw
Ombudsman