

## **The complaint**

R's complaint is about a claim it made on its Accelerant Insurance Limited business protection insurance policy, following damage to one of its shops.

R says Accelerant treated it unfairly.

In this decision all references to Accelerant include their claims handlers.

## **What happened**

In November 2021 a third party drove their car into the front of one of R's shops. Following this R made a claim to Accelerant on its business protection policy. R was claiming for around £83,400 worth of losses as a result of the interruption to its business.

Accelerant accepted the claim and asked R for further information to allow it to assess the business interruption in detail. R provided some of the information requested by Accelerant but felt that what Accelerant was asking for was unreasonable and wasn't necessary for them to assess its claim in full.

Whilst this issue remained in dispute Accelerant made an offer to settle the claim, which R rejected.

As things stand Accelerant has made two payments on account of its claim to R whilst the information they requested is supplied and they are able to provide a final assessment of the claim. Those payments amount to £30,000 made in or around September 2022 and £30,000 made in December 2023.

R is essentially unhappy with the way in which Accelerant conducted its claim, the time it has taken for the matter to be progressed and the fact that it feels a balance still remains outstanding, which has caused it detriment.

Our investigator considered R's complaint and initially thought it should be upheld. He took the view that the information Accelerant had asked for to allow them to assess the claim in full wasn't unreasonable but that they should have paid R more on account- at least up to the value of a previous offer Accelerant had made to settle the claim. So, he concluded that Accelerant should pay that now together with interest at 8% from three months after the claim was made until that sum is paid.

After receiving submissions from both parties, the investigator changed his view. He noted that R had in fact been paid a total of £60,000 on account throughout the course of the claim and not £30,000 as he'd previously thought- which he thought was reasonable. As such the investigator concluded that R's complaint shouldn't be upheld as it wasn't unreasonable for Accelerant to ask for the information they had to assess the claim, and without it, the final amount payable couldn't be determined.

As matters stand R has agreed to supply the further information requested by Accelerant but remains of the view that its claim was handled badly and has taken too long to resolve. So,

the matter has been referred to me to determine

### **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 won't be upholding R's complaint. I'll explain why.

R has agreed to supply Accelerant with the information they have asked for but it doesn't agree that it's necessary in order for its claim to be properly assessed. Rather R has said that the information Accelerant has asked for is essentially a fishing expedition.

For the sake of completeness, I've considered the information Accelerant has requested and their reasons for doing so, and like the investigator, I don't think their request is unfair. It's up to Accelerant as an insurer to satisfy themselves that the claim being made falls within the parameters of cover. So, a policyholder will need to supply that information if it wants its claim to be properly considered. In the absence of R doing so at the time this complaint was made, I can't say that Accelerant needed to do any more to progress R's claim.

The information R was asked to provide was as follows:

- Monthly sales for Cheshunt shop from July 2022 to date: Accelerant said this was requested to help them with the interruption period and post-loss sales levels.
- Quarterly VAT returns for Cheshunt shop from July 2022 to date: Accelerant said this was to determine the accuracy and reconcile the monthly sales with quarterly VAT returns.
- Draft financial statement for the year ended 31 December 2022: Accelerant said that as R does not prepare monthly management accounts, they requested this information to determine the expenditure and accuracy of the monthly sales.
- Monthly / quarterly sales for another of R's shops from January 2020 to date: Accelerant said this information was requested to assist them in identifying performance for the unaffected shop and calculate a ratio between revenue earned at unaffected shop versus the affected shop.
- Copies of payslips for October and November 2021 and from March to May 2022: Accelerant said this information was requested to accurately assess wages savings and if there was any transfer of the affected store's staff to a new shop, which opened during the loss period in December 2021.

Looking at the information requested, and the explanations given by Accelerant about why this was necessary, I can't see that R has been asked for information unreasonably. It's true that Accelerant are looking to carry out a detailed financial analysis of the claim being made, but I don't think there's anything wrong with that given the value of the claim itself.

I understand that R might be concerned that Accelerant will use the information requested to reduce the value of its claim- like for example the data in relation to the unaffected shop- which R says is irrelevant to the claim- but that's not something that has happened in this case. If Accelerant later decide the amount they're prepared to offer R in respect of its claim is less than the amount R is claiming for, for this specific reason or another and R is unhappy about, R can raise that as a new and separate complaint. But for the time being, I think that Accelerant are entitled to carry out financial comparisons on R's other shops to ascertain the impact of the interruption on R's business as a whole. It may be that it's unreasonable for Accelerant to apply specific comparisons to the shop that's the subject of R's present claim, but that's not something they have done so far because they haven't yet determined what they're prepared to offer R. Because of this I can't say that simply asking

for this information means that Accelerant are at fault.

Turning now to the time it has taken for this matter to be progressed; R's claim was made in July 2022. Matters reached an impasse at least 10 months later when Accelerant issued its final response letter setting out the information it said it needed to properly assess the claim, without which it was unable to progress it. Given the value of the claim and the fact that R hadn't provided Accelerant with all the information it had requested within the 10 months I've cited, I can't reasonably say that Accelerant are at fault here for the time things have taken to progress.

Since the claim was made Accelerant have paid R a total of £60,000 on account of a claimed amount of about £83,400 worth of losses. I appreciate those payments were spaced over a year apart but for the reasons I've mentioned I can't attribute the delays in the claim being progressed to Accelerant if they didn't have all of the information they'd requested to consider the claim. And the payments on account of £60,000 are in my view adequate to minimise R's losses given this covers well over two thirds of the total amount being claimed for. There is no certainty that R will recover the entire amount it is claiming from Accelerant so the fact that Accelerant have paid over two thirds on account of the claim is in itself quite generous in my view in the circumstances.

### **My final decision**

For the reasons set out above, I don't uphold R's complaint against Accelerant Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask R to accept or reject my decision before 25 April 2024.

Lale Hussein-Venn  
**Ombudsman**