

The complaint

A company, which I'll refer to as C, complains that AXA Insurance UK Plc (AXA) inconsistently applied a tracker device endorsement to its Mini Fleet insurance policy.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

C took out a Mini Fleet insurance policy underwritten by AXA. In February 2023, C made a claim following the theft of its vehicle. AXA applied a tracker endorsement to the vehicle in question which resulted in C's claim being declined.

C complained that AXA had applied the tracker endorsement to vehicles on its policy inconsistently, and so it had been treated unfairly. C said once the endorsement was put in place, AXA should have continued to review whether it was still required. C feels that at the latest, it should have been removed in November 2022 due to the vehicle's age and market value at the time.

C said AXA had been inconsistent in their approach in reviewing the vehicles on its policy. C argued that AXA made a mid-term adjustment to its policy when the endorsement was removed for one of its other vehicles. C said this demonstrates that AXA should have carried out the same review for the vehicle in question and removed the endorsement in November 2022.

AXA said the endorsement was applied fairly. It explained the endorsement had been added to C's policy since 2019 when the vehicle was added onto the policy. AXA said the value of the vehicle isn't the only factor taken into consideration when determining whether the endorsement should be applied. Their assessment also includes other considerations such as the area, type of vehicle and risk of theft. AXA said it's not their process to automatically remove the endorsement especially as they believed the tracker was active. AXA said if a request was made to remove the endorsement, the risk would be judged on its individual merits before deciding. AXA confirmed that other vehicles on C's insurance policy have different security requirements, and this has been decided by the level of risk being insured.

Our Investigator looked into things but didn't think C's complaint should be upheld. He thought AXA had acted fairly and reasonably when applying the tracker device endorsement to C's vehicle. He wasn't persuaded that AXA's approach was inconsistent or that they have treated C unfairly.

C didn't agree with our Investigator, so the matter has been passed to me to decide.

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.

Both parties have provided detailed submissions to support their position. I want to assure them I've read and carefully considered everything they've said, but I won't comment on everything.

I'd like to start by explaining that I'm considering this complaint against AXA, the insurer underwriting the policy. In my decision I'm only considering AXA's actions in applying the tracking endorsement to C's vehicle. I've not considered whether the claim has been declined correctly or not as that doesn't form part of this complaint. I've also not considered the sale of this policy as that was undertaken by C's broker.

The vehicle in question was added to C's policy in 2019. At the time, based on the information provided by C, AXA applied a tracker device endorsement to C's policy. In summary the endorsement said that C's vehicle had to be fitted with a vehicle tracking device which was declared and approved by AXA, and the device needed to be fully operational. Unfortunately, C only discovered that the tracking device was inactive after the theft of its vehicle.

C argued that AXA had been inconsistent in applying tracker endorsements to the vehicles on its policy and so it has been treated unfairly. C said AXA removed a tracking device endorsement mid-term for another vehicle on its policy. C therefore feels AXA should have done the same for this vehicle. C also argued that AXA didn't add a tracker endorsement for a subsequent vehicle even though the value was higher than the vehicle in question.

I acknowledge C says AXA have taken a different approach for other vehicles on its policy. The information provided by AXA shows that they decided to waive the tracker requirement for a different vehicle after the broker asked AXA to review whether it was still required. I note that happened after C's theft claim was declined. I haven't seen anything to suggest that AXA was regularly carrying out this review on C's policy and that it acted incorrectly by not doing the same for the vehicle in question.

AXA also demonstrated that a different security requirement had been applied to the vehicle with a higher value.

Ultimately, insurers have different appetites for risk - and set out conditions of cover in order to satisfy that risk. It's reasonable that AXA reviews each vehicle's risk on its own individual merits. So any terms and conditions that applied to a different vehicle - isn't relevant to the information given to C for this vehicle, and the policy documents provided reflect the security requirements for each vehicle.

I understand why C has queried the difference in AXA's position here, but I'm satisfied with AXA's response on why it took the action it did for the other vehicles on C's policy. It's up to an insurer to decide what risks they're prepared to accept. And even though AXA decided to waive the requirement for a tracker for another vehicle, it doesn't mean they should've taken this same approach for the vehicle in question.

I appreciate that C feels AXA should have reviewed the endorsements on its policy at each renewal and updated them. However, as the customer, I agree it was C's duty to keep AXA informed about any changes and to ensure that the information AXA held was up to date accurate. The policy terms also highlight the need to do so. AXA said if they had been notified of any changes, they would have reviewed the terms applied. I consider this to be reasonable.

In addition to the above, I can see the endorsement had been in place since the vehicle had been added to the policy, as well as the three subsequent policies. It's not in dispute that the tracking device requirement was highlighted to C at inception, and in all of the policy

documents in subsequent renewals. So, I'm satisfied the endorsement was in place, and the requirement set out under the endorsement was also made clear, which was accepted by C at each renewal. I haven't seen any evidence of C querying its requirements at renewal or notifying AXA of any changes.

I know my decision will come as a disappointment to C, but I haven't seen evidence to persuade me that AXA have been inconsistent in applying the necessary security requirements to C's policy, or that they have treated C unfairly. I therefore cannot reasonably ask them to take any further action in this matter.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask C to accept or reject my decision before 17 April 2025.

Ankita Patel
Ombudsman