

## **The complaint**

Miss C has brought a complaint about AXIS Specialty Europe SE (“AXIS”) in relation to a claim she made following a fire at the premises of her business, which I’ll refer to as “Y”. Miss C says AXIS declined the claim unfairly.

## **What happened**

In October 2023, Miss C made a claim to AXIS on behalf of Y – a fast-food restaurant and take-away business, when a member of staff accidentally switched on the frying equipment in the kitchen, which then caused a fire.

Following investigations into the cause of the fire, AXIS declined the claim. It said the forensics expert was advised by Miss C that the ducting wasn’t cleaned. It said this meant the equipment warranty hadn’t been complied with and therefore there was no cover under the policy.

Miss C didn’t agree. She said the ducting was cleaned regularly and that she never told the forensic investigator that the extraction system hadn’t been cleaned. So she made a complaint. In its response, AXIS said it had asked for evidence of cleaning, such as invoices, or the name of the person who had completed the clean, but none had been provided.

Unhappy with AXIS’s response, Miss C referred the complaint to this service. Our Investigator considered the complaint, but didn’t think it should be upheld. She said she wasn’t persuaded that the evidence showed the ducts were regularly cleaned, as required by the policy terms.

Miss C didn’t accept our Investigator’s opinion. She said the equipment was new and was cleaned regularly. Miss C’s partner also confirmed that he cleaned the motor with a steam cleaner every 12 months and the fire happened 8 months after a clean. As Miss C didn’t agree with our Investigator, she asked for an Ombudsman’s decision, so the complaint has now come 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.

As this is an informal service, I’m not going to respond here to every point raised or comment on every piece of evidence Miss C and AXIS have provided. Instead, I’ve focused on those I consider to be key or central to the issue in dispute. But I would like to reassure both parties that I have considered everything submitted. And having done so, I’m not upholding this complaint. I’ll explain why.

The insurance industry regulator, the Financial Conduct Authority (FCA), has set out rules and guidance about how insurers should handle claims. These are contained in the ‘Insurance: Conduct of Business Sourcebook’ (ICOBS). ICOBS 8.1 says an insurer must handle claims promptly and fairly; provide reasonable guidance to help a policyholder make

a claim and give appropriate information on its progress; and not unreasonably reject a claim. I've kept this in mind while considering this complaint together with what I consider to be fair and reasonable in all the circumstances.

Insurance policies aren't designed to cover every eventuality or situation. An insurer will decide what risks it's willing to cover and set these out in the terms and conditions of the policy document. The test then is whether the claim falls under one of the agreed areas of cover within the policy.

When making a claim on an insurance policy, it is for the insured – so in this case Miss C on behalf of Y – to demonstrate that Y has suffered a loss covered by the policy. If she can do so, then AXIS will need to accept the claim unless it can show it can fairly rely on a valid condition/endorsement or exclusion to decline it.

I've checked the policy terms. These include the following condition:

*"It is warranted that:*

- (c) All extraction hoods, canopies, filters and grease traps should be cleaned at least once per month*
- (d) Extraction ducts, including extraction motors and fans should be cleaned at least once every six months"*

Whilst Miss C has said the equipment was a range and not a deep fat fryer (as the policy calls it), I don't think this makes a difference. The intention of such a condition in a policy is usually to ensure that equipment which could cause damage to a premises is properly maintained, which serves to reduce the risk to the insurer.

AXIS has shown that whilst the range was serviced in 2023, this was confined to a gas and electrical inspection. It has also shown evidence in the form of an expert report, which confirms that the kitchen canopy was cleaned by employees – but that no one cleaned the extraction ducts. I find it unlikely that this information would've been included in the report if it wasn't reliable. So I think it's most likely that Miss C did provide that information to the forensic investigator, as the report says she did, although I appreciate she doesn't recall doing so.

I've also considered whether the testimony provided by Miss C or her partner is plausible and persuasive – and whether it satisfies me that the policy endorsement was met. They've said the motor was cleaned by them, not by a professional, every 12 months. But even if this was the case, the policy endorsement required the ducts and motors to be cleaned at least once every six months.

I'm satisfied that the failure to comply with the policy endorsement was relevant here and contributed directly to the damage that occurred in this case. The forensic investigator's report says, whilst it's clear the fire was caused by ignition of the overheated fat within the pan, *"The fire would have been drawn into the plenum/grease sump and through the extraction system ductwork by the action of the fan in the storeroom, and the fire would have been sustained by the presence of greasy deposits and air drawn-in by the fan"*.

The expert goes on to say:

*"However, in my opinion, it is likely that much of the damage to the duct, fan unit and storeroom occurred because grease deposits had accumulated as a consequence of the duct not having been cleaned. Therefore, whilst the fire would not have been avoided had*

*the duct been cleaned, I consider it likely that the much of the consequential damage would have been avoided had the duct been cleaned professionally within the past 12 months.”*

So, based on the expert evidence I've seen, I think it's likely the fire wouldn't have caused as much damage as it did, had it not been for the presence of greasy deposits within the extraction system ductwork – and that regular cleaning of the ductwork would've prevented the greasy deposits from building up.

I've seen the photos of the ducts and the equipment. It seems unlikely to me that cleaning of the extraction system would've been carried out by staff, without a professional, as regularly as required by the policy – due to the positions of the ducts. And whilst Miss C has said that their paperwork was lost in the fire, if regular cleaning and maintenance was taking place, I think evidence of this could've been provided – such as the name or contact details of the company used, even if there was no longer any paperwork.

It follows therefore, that I'm satisfied AXIS hasn't unfairly relied on the policy endorsement in order to decline the claim. And this means I'm unable to uphold this complaint.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Y to accept or reject my decision before 26 August 2025.

Ifrah Malik  
**Ombudsman**