

The complaint

Mr P complains because AXA PPP Healthcare Limited ('AXA') hasn't paid a claim for lost belongings under his travel insurance policy.

What happened

Mr P is insured under a travel insurance policy provided by AXA.

While travelling abroad, Mr P lost a pair of glasses and a pair of sunglasses. He says he reported the loss to his airline and the holiday representative at his resort and subsequently made a claim with AXA for a total of £800.

AXA asked Mr P for additional evidence in support of his claim. He said he didn't have proof of purchase for either the glasses or the sunglasses but provided evidence that he'd had the prescription lenses changed in both a pair of glasses and a pair of sunglasses a few years earlier at a cost of approximately £266. Mr P also sent AXA a letter from his airline about the loss.

AXA said the claim wasn't covered because Mr P couldn't provide original receipts for the items. Unhappy, Mr P complained to AXA before bringing the matter to the attention of our service.

One of our investigators looked into what had happened and issued a number of opinions about the complaint. AXA made an offer to pay Mr P a settlement for the frames and lenses after deducting depreciation, but later withdrew this offer because of what it said were inconsistencies in the information provided by Mr P.

As no resolution was reached, the complaint was referred to me to make a decision as the final stage in our process. I made my provisional decision about Mr P's complaint in May 2025. In it, I said:

'Industry rules set out by the regulator say insurers must handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules into account when making my provisional decision.'

The terms and conditions of Mr P's policy list the evidence which must be provided by a policyholder in order to make a claim for lost personal belongings. This includes 'proof of purchase (e.g. original receipts, valuations issued prior to the loss, cash withdrawal slips and credit/debit card statements etc.)'.

I note the examples given are a non-exhaustive list but, in any event, my remit entitles me to depart from a strict application of the policy terms and conditions if I don't think this results in an outcome which is fair and reasonable for both parties.

There's a very clear onus on the policyholder to provide evidence to demonstrate that they have a valid insurance claim. But our service has a long-standing approach that we don't generally think it's fair or reasonable for an insurer to expect a policyholder to be able to

provide proof of purchase for every item claimed for. Most people don't keep receipts for everything they've purchased in previous years and it's not reasonable to expect them to do so. If a policyholder can provide evidence which demonstrates it's more likely than not that they owned an item, then I'd expect an insurer to consider whether it would be fair and reasonable to accept the claim based on that evidence.

So, I don't think AXA's initial position that Mr P's claim couldn't be paid without original receipts was fair or reasonable in the circumstances. Mr P explained to AXA that he couldn't provide receipts and submitted evidence of the lens replacement costs. I'm satisfied the lens replacement receipts demonstrate it's more likely than not that Mr P owned the items being claimed for. I note Mr P also offered to provide photographs of the sunglasses but AXA said this wouldn't be sufficient evidence. However, photographs can also point to proof of ownership. The photographs have since been provided to our service and shared with AXA. Mr P has also provided further information about the type of sunglasses he had, which wasn't information which AXA asked him for at the time.

Overall, I think it would have been fair and reasonable in the circumstances, as well as good industry practice, for AXA to have considered all the evidence Mr P was able to obtain and, at a very minimum, I think it would have been reasonable for AXA to consider paying a claim for the replacement lenses.

Turning to the proof of loss which Mr P has provided, I understand there are two letters from the airline – one which mentions sunglasses only and one which mentions both glasses and sunglasses. AXA said these letters post-date the notification of Mr P's claim and they'd expect the loss to be reported at the time but I'm satisfied based on Mr P's version of events, including his telephone call with AXA on 3 July 2024, that he did report the loss at the time. Mr P says the original letter he received contained incorrect details, so he phoned the airline and was given the amended letter. It's not clear from AXA PPP's notes which version of the letter Mr P sent to it originally but I've seen the covering email from the airline, a copy of which has also now been provided to AXA. The covering email explains that the original letter was amended by the airline, and the information from the airline was capable of verification if AXA had wished to explore this.

I accept it's not particularly clear when or where Mr P bought the glasses and/or sunglasses but, having considered all the available evidence including both of Mr P's telephone calls with AXA, I'm satisfied this is because Mr P doesn't recall the exact details rather than as a result of any deliberate attempt to provide incorrect information to AXA.

Based on the individual circumstances of this particular complaint, I'm satisfied that Mr P has demonstrated both proof of ownership and proof of loss of the items being claimed for. I don't think it's fair or reasonable in the circumstances for AXA to now seek to question what it says are inconsistencies in the evidence provided. AXA had the opportunity to do this at the time of the claim and put any questions it had to Mr P directly but failed to do so and instead unreasonably declined the claim based on the lack of original receipts.

I've next considered the value of Mr P's claim. There's quite simply no way to verify the amount originally claimed for. It's not reasonable for a policyholder to expect a claim to be paid based on a rough estimate of how much items cost, nor do I think it was reasonable for Mr P to 'add on' costs for a glasses case during the course of the claim. In addition, a claim such as this one will generally be subject to deductions for depreciation and would also have been subject to a policy excess. For the avoidance of doubt, I don't think AXA's position in applying depreciation to the lenses in its now-withdrawn settlement offer was unfair or unreasonable in the circumstances. I don't agree with Mr P's comments that lenses don't experience wear and tear over time. So, I can't fairly direct AXA to pay Mr P the amount he originally claimed for.

It ultimately falls to me to determine what I think would be a fair resolution to this complaint. Overall, and in the interests of bringing finality to the matter, I currently intend to direct AXA to pay Mr P a total award of £500 compensation. This reflects both what I consider to be a fair reflection of the likely amount of Mr P's financial loss when taking into account the limitations of the policy, as well as the distress and inconvenience which Mr P experienced as a result of what I think was AXA's unfair decision to decline his claim for not having original receipts.'

So, my provisional decision was that AXA should pay Mr P £500 compensation.

AXA responded to my provisional decision with queries about the brand of glasses which Mr P was claiming for. Mr P responded and said he didn't think the compensation which I'd recommended took into account his time spent on the matter, or that it fairly reflected the distress and inconvenience he'd experienced. Mr P said he'd accept £600 compensation.

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've taken into account both parties' responses to my provisional decision, but I won't be changing my compensation award.

I've already explained why I think AXA has now lost the opportunity to raise further queries about the claim because of its unreasonable decision to originally decline it based on the lack of receipts. I'm satisfied, based on the totality of the evidence in the circumstances of this individual case, that Mr P has demonstrated proof of ownership and proof of loss of a pair of glasses and a pair of sunglasses.

Mr P hasn't been able to provide any evidence in support of the original value of the items he is claiming for. It's not fair or reasonable to expect AXA to pay a claim for items on the basis of an approximate estimate attributed to the items by Mr P with no supporting verification. It's up to me to reach an independent and impartial decision which results in an outcome that I think is fair and reasonable to both parties. I'm satisfied that an award of £500 compensation is an appropriate, fair and reasonable resolution to this complaint.

Putting things right

AXA PPP Healthcare Limited needs to put things right by paying Mr P £500 compensation.

AXA PPP Healthcare Limited must pay the compensation within 28 days of the date on which we tell it Mr P accepts my final decision. If it pays later than this it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

My final decision

I'm upholding Mr P's complaint about AXA PPP Healthcare Limited, and I direct it to put things right in the way I've outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 18 July 2025.

Leah Nagle
Ombudsman