

The complaint

F, a limited company, complains that AXA Insurance UK Plc has failed to offer a fair resolution to a claim under their business protection insurance policy.

Where I refer to AXA, this includes the actions of its agents and claims handlers for which it takes responsibility.

What happened

The detailed background to this complaint is well known to both parties, so I'll only summarise the key events here.

- In April 2025, F made a claim for a damaged laptop under the business equipment section of their insurance policy.
- AXA accepted the claim. As the laptop was still functional, AXA opted to settle by way of a repair. It offered to collect the laptop and gave a timeframe of seven to ten days to repair it. Or F could take it to a local repairer.
- F said the business couldn't operate without the laptop, so they couldn't be without it for ten days. And a local repair wasn't an option due to not having good transport links.
- AXA suggested F hire a replacement laptop whilst it was repairing the damaged one, but F didn't want to incur the costs of doing so. Subsequently, AXA made a cash settlement offer of £250 minus the policy excess of £100.
- F raised a complaint. They said AXA was being rigid and obstructive in the settlement of their claim as the options available were logistically impossible and commercially unreasonable. And that AXA staff had been dismissive and combative over the phone, leaving F's director feeling anxious and overwhelmed.
- Our Investigator was satisfied that AXA had made a reasonable accept to settle the claim in line with the policy terms. He explained we wouldn't award compensation for the emotional stress of F's director as they're not an eligible complainant in their personal capacity.

As F didn't agree with our Investigator, the complaint 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.

Having done so, I've reached the same outcome as our Investigator, and for broadly the same reasons. Before I explain why, I wish to acknowledge the parties' submissions in respect of this complaint. Whilst I've read them all, I won't comment in detail on every single

point that has been made. Instead, I'll focus on the key points that are relevant to the outcome I've reached. That's in line with our remit, which is to resolve complaints promptly and with minimal formality.

The terms and conditions of F's business equipment cover says:

"We will cover you for accidental damage occurring during the period of insurance to any of the business equipment shown in your schedule and will pay you for the value of the property at the time of its damage or for the amount of the damage, or at our option reinstate or replace the property or any part of it, in accordance with the following basis of settlement."

AXA offered to repair the damaged laptop or pay for a local repairer to do so. It later offered a cash settlement. I'm satisfied this was reasonable in the circumstances – and ultimately, it's up to the insurer to choose how it settles the claim.

I appreciate these options aren't without an impact. F will either be without a laptop for a period of time, which will impact their business and cause inconvenience. Or they will be out of pocket for the cost of hiring a replacement laptop or for transport to a local repairer. None of which is ideal.

But making a claim will always lead to a certain amount of distress and inconvenience. And this is as a result of the claim circumstances – i.e. the damaged laptop – rather than anything AXA did or didn't do. The policy F holds doesn't cover any consequential losses or business interruption, nor does it offer an on-site repair service which I understand F has asked for.

I'm aware F doesn't agree the cash settlement is sufficient. But, as it stands, F haven't shown AXA what the damage is or how much it will cost to fix. The onus is on F to prove they have a valid claim, and whilst I appreciate the challenges they say they face in regards to transport and associated costs, they haven't provided sufficient evidence to support a higher cash settlement. So I'm satisfied AXA has made a fair offer based on the information it had at the time.

As such, I'm satisfied AXA has handled the claim in line with the policy terms and made several reasonable attempts to settle it. And I'm not persuaded it needs to do anything more. If F wants to continue with their claim, they should let AXA know which settlement option they'd like to accept or provide it with sufficient evidence to support a higher cash settlement.

And finally, I understand F has also complained that AXA's handling of this claim has caused distress to one of their directors. As our Investigator has explained, we can only investigate complaints brought by eligible complainants, which in this case is F – a limited company. A limited company can be caused inconvenience or reputational damage but aren't a 'natural person' and can't have hurt feelings. So, we wouldn't award compensation for distress or pain and suffering to a limited company, even if its employees may have experienced those types of impacts individually as a result of the insurer's actions. So whilst I'm sorry to hear about the director's experience, I won't be asking AXA to take any further action in this regard.

My final decision

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask F to accept or reject my decision before 31 January 2026.

Sheryl Sibley
Ombudsman