

The complaint

B, a company, complains about a claim it made on its Accelerant Insurance Europe SA/NV UK Branch ('Accelerant') business protection insurance policy.

B says Accelerant treated it unfairly and led to it incurring considerable losses.

B's complaint is brought by Mr E, but I shall refer to all submissions made by him as B's own for ease of reference.

What happened

B's claim arises from damage to a condenser unit at one of its business premises at the time of the claim. The damage occurred in April 2024. B reported this to its broker on 21 May. B's broker reported the claim to Accelerant on 16 July- around three months after the damage occurred. Two days later Accelerant appointed a loss adjuster to review the claim. An attempt was made to visit the business premises on 1 August, but this was not possible because by this point B had been evicted by its landlord.

By 8 August B told the loss adjuster that both of its business premises were now closed and that Mr E was unwell. A meeting took place on the business premises on 12 August. Following this the loss adjuster made further enquiries with B about the involvement of Mr E in previously liquidated businesses. Accelerant also asked the loss adjuster to obtain further evidence of the damage to the condenser, an engineer's report and a copy of any quotes or invoices for replacement. The loss adjuster requested this from B accordingly.

In October 2024 B provided some of the information requested but not all. By November 2024 the loss adjuster told Accelerant that it was not in possession of the outstanding information. By this time Mr E was very unwell and receiving treatment in hospital.

At the end of January 2025 B sent some of the further information the loss adjuster had requested by email. There was a delay of about 5 weeks in that being relayed to Accelerant because the email had gone to the loss adjuster's junk folder. When Accelerant reviewed the further information, they noted they were still not in receipt of the answers to all of the questions they had asked. By the end of March Accelerant made an offer to settle the claim by funding the cost of replacing the damaged condenser unit, the cost of any stock B could evidence was damaged as a result of the damage to the unit, the losses sustained by B as a result of closing for three months. They requested evidence to support the items they'd agreed to pay out.

Our investigator considered B's complaint but didn't think it should be upheld. B does not agree so the matter has been passed 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 agree with the conclusions reached by the investigator for the reasons I have set out below. Before I explain why, I wish to acknowledge the volume of the submissions made by B in its complaint. Whilst I've read everything it has said, I will not be addressing it all. That's not intended to be disrespectful. Rather it represents the informal nature of the Financial Ombudsman Service. Instead, I'll focus on the crux of B's complaint- namely whether Accelerant did something wrong here and needs to put things right.

B has made many submissions about the personal circumstances and impact of what it says are Accelerant's actions on Mr E personally. As the investigator explained, I can't consider these nor any of Mr E's submissions about protection being afforded to him under the Equality Act 2010. The policyholder in this case is B, which is a separate legal entity to Mr E. Because of this I won't be commenting on the matters Mr E has raised that don't relate to B.

Delays

Much of B's concerns arise out of the delay in Accelerant dealing with its claim and the impact this had on its business, including the fact that it couldn't pay its rent, which resulted in eviction. But I don't think this was down to Accelerant. Looking at the timeline I've quoted, the claim wasn't reported to Accelerant until three months after the damage occurred, following which I'm satisfied Accelerant acted promptly.

I appreciate that B feels it answered all of Accelerant's questions promptly and provided the information Accelerant wanted at the early stages of the claim, but I don't think this addresses everything B was asked to provide. For example, engineer's evidence wasn't supplied until late January 2025 and other questions Accelerant had asked previously remained unanswered. Equally there's nothing in the information Accelerant requested from B that makes me think this was not required. The onus is on a policyholder to prove their claim to obtain the benefit of cover and from what I've seen, the information Accelerant was asking for was not unreasonable.

In the circumstances, I think the only delay in Accelerant progressing things was about 5 weeks when the email B sent remained within the loss adjuster's junk folder before being discovered. Accelerant have offered B £100 in compensation for this, which I think is reasonable in the circumstances of this complaint, particularly because this delay didn't materially impact on the outcome of the claim.

The offer

The policy terms cover consequential loss arising from an incident that took place during the period of cover, subject to Accelerant agreeing to pay the claim for damage and no other exclusions applying. As Accelerant has agreed to pay for the damage to B's condenser unit, it follows that they will pay for consequential loss which includes loss of income. This amounts to the total sales less the cost of purchases in connection with those sales. The policy doesn't cover any consequential losses other than the ones B was insured for under section 2 of the policy under the heading "*Business Interruption All Risks.*"

B feels that Accelerant's offer to pay for three months of loss of earnings is insufficient given the closure of its business and the fact that it couldn't afford to continue operating there. Whilst I sympathise, the policy requires policyholders to mitigate their loss by taking all steps that were reasonably practicable to avoid or minimise any interruption to its business. In this case Accelerant says that all B needed to do was arrange for the repair of its condenser in order to continue operating and this could have been actioned by B swiftly. On the other hand, B says it didn't have the funds to do this. Whilst I understand what B says, the sums entailed in repairing the condenser amounted to around £3,825. Whilst B's financial position did not allow for this, we'd expect a prudent business to be able to mitigate their losses by

funding a modest sum themselves to mitigate much more significant losses. In the absence of B doing so, considerably more losses ensued which B is now seeking from Accelerant, including the cost of transporting items between its other business premises and the closure of the business altogether. When taken together, these sums far outweigh the cost of the condenser unit being repaired. As such I don't think B mitigated its losses in this case, as it should have, such that it would be entitled to such considerable losses.

Accelerant has offered B three months' worth of losses sustained as a result of a three-month closure period. This is based on Accelerant's assertion that had the claim been made promptly, and immediately after the condenser had been damaged, it ought to have been capable of resolution within eight weeks which also allowed for proper investigations to take place. I agree that had B made its claim to Accelerant straight away and not three months later, its losses would have been considerably minimised. This would have also been the case if B had funded the repair to the condenser itself with a shorter and reasonable period. Either way, I can't say that its eviction from its business premises was down to something Accelerant did nor that the losses it suffered were attributable to Accelerant's actions. For this reason, I think the offer Accelerant has made B is reasonable in the circumstances. It is therefore a matter for B whether it wishes to accept it and provide the evidence necessary to help inform the figures payable for that claim.

My final decision

I don't uphold B's complaint against Accelerant Insurance Europe SA/NV UK Branch.

Under the rules of the Financial Ombudsman Service, I'm required to ask B to accept or reject my decision before 24 November 2025.

Lale Hussein-Venn
Ombudsman