

## **The complaint**

Mrs T has complained about AXA Insurance UK Plc. She isn't happy about the way it dealt with a claim under her home insurance policy including the poor service provided and general delays.

For ease of reading any reference to AXA includes its agents.

## **What happened**

Mrs T made a claim under her home insurance policy following an escape of water that caused a lot of damage at her property. AXA were notified of the claim in February 2021, but Mrs T faced a number of issues and difficulties in advancing her claim with AXA.

AXA accepted it got things wrong, delayed the claim and offered compensation totalling £225. But Mrs T didn't feel this reflected the level of stress, delay, and inconvenience she had faced in dealing with the claim and being out of her property in alternative accommodation which she didn't feel was suitable. So, she complained to this Service.

Our investigator looked into things for Mrs T and upheld her complaint. He thought AXA should increase its offer of compensation to £500 to account for the delay, stress and inconvenience caused by AXA's delays in the claim, poor communication, delays in paying Mrs T for the work undertaken and its general lack of proactive claims management.

As Mrs T didn't agree, believing that she should be paid thousands more in compensation, the matter has been passed to me for review.

## **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.

It isn't disputed that AXA provided a poor service here and caused delay in the settlement of the claim, so I don't propose to go over the finer detail of this. I will just focus on the compensation level offered and whether I feel it is fair in the circumstances of this claim. And it is important to point out that I will just be focussing on the period of time relevant to this complaint (up to AXA's final response letter (FRL) of 10 May 2022) and not any issues that Mrs T suffered after this point in time which she is free to advance separately.

I also think it's important to explain I've read and taken into account all of the information provided by both parties, in reaching my decision. If I've not reflected something that's been said in this decision it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is. This also means I don't think it's necessary to get an answer, or provide my own answer, to every question raised unless it's relevant to the crux of the complaint.

I can understand Mrs T's position and her frustration and disappointment about how her claim has been handled by AXA and its appointed contractors. It is clear AXA contributed to a number of delays and poor service in dealing with Mrs T's claim which is why it offered £225 by way of compensation.

However, although AXA was responsible for a number of delays and caused Mrs T additional stress and inconvenience over and above the stress caused by the claim itself I don't think it is responsible for all the problems Mrs T faced. I say this as a lot of the issues faced was simply down to the complexities of the claim. And the difficulties faced in putting things right.

I know Mrs T feels AXA should pay a number of other costs such as her council tax and her meals while she has been in alternative accommodation (AA). But as our investigator explained Mrs T's council tax would always have been due so I would only expect it to look at this if she'd had to pay a second council tax at her AA. And AXA just agreed to pay the AA which Mrs T chose so I wouldn't expect it to pay for meals on top of this as Mrs T chose the accommodation. And she didn't ask it to rearrange AA because her accommodation didn't provide cooking facilities once it became clear things were going to take a lot longer than the initial three-month period. So, I think AXA have acted fairly here in agreeing to pay for the AA that Mrs T arranged and so I won't be asking it to do anymore about this.

Turning to the level of compensation it is obvious Mrs T hasn't had the level of support that I would expect to see. It is clear that payments for crucial parts of the claim were delayed which had a knock-on effect on the time taken to put things right, especially as Mrs T had to be heavily involved in the claim to move things forward. Given Mrs T was having to be active in the claim and agree the authorisation of repairs in stages this delay in reimbursement was significant. And meant the repairs didn't run smoothly and Mrs T had to borrow funds in order to pay things upfront.

As our investigator highlighted it isn't clear why a scope of work wasn't put in place initially as this staged approach impacted on the timeliness here. And there wasn't enough support from a loss adjuster which meant Mrs T had to arrange most of the works herself and handle the claim which clearly added to the already difficult and stressful position.

I know Mrs T would like a lot more in compensation than our investigator has suggested. But our awards are generally modest, and I think just over double the amount AXA offered (£500) seems fair. I don't think any amount of compensation would put things right for Mrs T as the claim impacted her lifestyle, but I think this offer seems fair and is in line with awards that this Service ordinarily makes.

Given all of this, although I understand there was a lot of time and energy put into this by Mrs T, I think £500 in acknowledgement of this and the poor service and general poor claim management is fair. Unfortunately, there is always a fair degree of stress and inconvenience in advancing an insurance claim and this level of compensation is in line with the kind of award this Service would ordinarily make. So, I agree that the complaint should be upheld, and that AXA should pay Mrs T £500 compensation. And if Mrs T has any further complaints since the date of AXA's FRL (10 May 2022) she will need to raise them separately.

### **My final decision**

It follows, for the reasons given above, that I uphold this complaint. I require AXA Insurance UK Plc to pay Mrs T £500 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 6 December 2022.

Colin Keegan  
**Ombudsman**