

## **The complaint**

Mr G complains about AXA Insurance UK Plc's (AXA) decision to decline a claim made under his buildings insurance policy.

Any references to AXA include its agents.

## **What happened**

In March 2022, Mr G logged a claim with AXA for storm damage to his home. AXA arranged for a surveyor to inspect the damage. Following an inspection, the claim was accepted, and AXA paid Mr G £285.52. Mr G obtained some quotes but felt this wasn't a sufficient amount to cover the repairs. He asked AXA carry out the repair.

AXA agreed to do so and debited the money back from Mr G's account. Mr G says there wasn't any progress for several months and then his claim was suddenly declined.

Mr G complained to AXA, both about the decision to decline the claim and the time it took for it to do so. It responded to his complaint in September 2022. It said a further inspection when assessing what repairs needed to be carried out led it to conclude the damage to Mr G's home hadn't been caused by the storm. Instead, it considered the damage was caused by wear and tear which was excluded under the policy. AXA offered £100 to recognise the distress and inconvenience caused by the decision to accept and then later decline the claim.

Unhappy with AXA's response, Mr G referred his complaint to this service. In response, AXA offered an increased payment of £385.52 to put things right. Our investigator said AXA was entitled to decline the claim based on what she'd seen, but the offer to pay £385.52 was fair. As Mr G didn't agree, this case has been passed to me.

## **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 a starting point, I've considered if AXA acted fairly in declining the claim. I'm sorry to disappoint Mr G, but I think it did. I appreciate Mr G says the first report identified the damage was caused by storm conditions, so he doesn't feel it's fair to rely on the second report to decline the claim. Mr G also feels AXA acted inappropriately by not sharing the reason for the second visit.

However, it seems from the file the second report was arranged in response to Mr G's request that AXA carry out the repair. Given the first inspection was only to survey the damage, it's fair AXA then took steps to understand what the cost of the repair was likely to be. It's unfortunate here the second inspection provided the information that caused AXA to decline the claim. But I don't think it was inappropriate for AXA to send out the second contactor to inspect the damage.

Although brief, I find the report and supporting pictures provided by the second contractor to be persuasive. The findings from the contractor state the structure didn't have enough support for the roof sheets and provided a number of photographs to show the structure was in a poor condition before the storm.

These draw together a rational and persuasive account of the structure Mr G is claiming for as something that has deteriorated over time, and then experienced damaged following storm conditions. But it doesn't seem to be the case the storm conditions themselves caused the damage the structure, it had already deteriorated to a point where the storm highlighted it was in a poor condition. I've considered the exclusion clause AXA is relying on, and I'm satisfied it acted fairly in relying on this exclusion in light of the information available. I'm not going to ask AXA to settle the claim or repair the damage.

I turn now to AXA's offer of compensation. Mr G has experienced distress and inconvenience as a result of AXA initially accepting before declining his claim. I can see this was very difficult for Mr G.

I don't think as Mr G suggests, the impact was so severe AXA should pay for the overall repair cost. Mr G says he should get the full amount AXA would have paid to carry out the repair, not the amount with the excess deducted. In general, it's not unusual for an insurer to deduct the excess from a cash settlement paid to settle an insurance claim.

But as the £385.52 is being offered purely as a compensation payment, all I need to decide is if it's a fair amount. I'm satisfied the overall amount is fair in the circumstances, considering the distress and inconvenience experienced stemming from the change of decision on the claim outcome, and the time taken to tell Mr G this.

### **My final decision**

I uphold this complaint. I require AXA Insurance UK Plc to pay Mr G £385.52.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 14 February 2023.

Emma Hawkins

**Ombudsman**