

## **The complaint**

Miss M has complained about her let property insurer AXA XL Insurance Company UK Limited regarding a water leak claim, how long this took to be resolved and the upset and loss that were caused as a result.

## **What happened**

In 2021, there was a leak from the shower at a property which Miss M owns and lets out. Miss M made a claim to AXA. It completed trace and access work, identifying a leak on the shower which it capped and advised Miss M to fix. AXA agreed to reinstatement work for the damage the leak had caused. The leak was capped in April 2021 and it was December 2021 before the reinstatement work was completed.

By this time Miss M's tenant was quite upset. Miss M rebated her rent for December 2021.

In December 2021 Miss M was also contacted by the plumber that had completed work in April 2021 – AXA had not paid him. The plumber threatened Miss M with court action if she did not pay him. Miss M asked AXA to pay the plumber immediately. It was February 2022 when AXA paid the plumber, no legal action was taken against Miss M in the meantime.

Miss M complained about how the claim had been handled, including the non-payment of the plumber to AXA. She asked for compensation for upset – for her and her tenants. She also asked for the rent rebate of £725 to be refunded to her. AXA accepted it had caused some delays, including in paying the plumber. It said it would pay Miss M a total of £700 compensation. This sum was paid.

Miss M wasn't happy, she looked at how many hours she'd spent working on the claim and felt that £700 wasn't enough to make up for that. And it didn't take into account the rent rebate. She complained to the Financial Ombudsman Service.

Our Investigator felt that AXA should pay Miss M a total of £850 compensation. She wasn't persuaded it should have to reimburse the rent rebate as Miss M had chosen to offer this to the tenant.

Miss M wasn't satisfied by the suggested outcome. AXA did not object to it. The complaint was passed for an Ombudsman's consideration.

## **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 think it is clear, and AXA has accepted, that it could have handled this claim better. The timeline for work is somewhat unclear due to the adjuster that had handled this for AXA having left. But I think AXA accepts, even given the challenges of the Covid-19 pandemic,

that the claim shouldn't have been so prolonged. But it's also fair to say that AXA has identified a delay on the leak being repaired by Miss M – and Miss M has not disputed that or shown that it was not a contributory factor to the claim taking as long as it did.

There is also the failure to pay the plumber to think about. Contact like this for any policyholder would be distressing. And I can understand that for Miss M, in her line of work the possibility of court action, and at worst a court judgment, against her, was a grave cause for concern. Making claim payments like this is something AXA should be able to handle without difficulty – and if it had then all of Miss M's worry in this respect would have been avoided.

So AXA failed Miss M and I have to consider what fairly and reasonably makes up for its failures in this respect. On this occasion I do think a payment of £850 compensation is fairly and reasonably due and, like our Investigator, I'm not minded to make AXA reimburse the rebated rent payment.

AXA, in respect of this claim and complaint, is liable to Miss M for compensating her, for her upset and losses, caused/incurred by it on account of its failures. So whilst I appreciate that Miss M's tenant suffered during the period of repairs – I can't, in the main, take that into account when awarding compensation to Miss M. And it follows that where Miss M chose, as she did here, to offer a rebate of rent to the tenant to make up for what she'd been through, I can't reasonably require AXA to reimburse that sum to Miss M.

But, I say 'in the main' as clearly Miss M, as a responsible landlord, was caused some upset herself because of what her tenant was going through and what she, as she has described, felt helpless to change. And the fact that the tenant was complaining to Miss M about the state of the property during the delayed repairs, reasonably caused Miss M some stress. And the longer it went on for, the more upset Miss M was caused. There's the entirely avoidable and significant distress caused by the non-payment of the plumber too. But I have to temper all of that with the knowledge that the total length of repairs does not seem to be entirely caused by AXA. And even in a well-handled claim, there will often be some unavoidable delays and a policyholder will need to spend time being involved in order to get things completed. Given the delays and failures AXA is likely responsible for, the extra time and effort Miss M put in because of that, and the upset she was caused, I'm satisfied that total redress of £850 compensation is fair and reasonable in the circumstances here.

### **Putting things right**

I require AXA to pay Miss M a further £150 compensation, where total compensation awarded is £850 but £700 has already been paid.

### **My final decision**

I uphold this complaint. I require AXA XL Insurance Company UK Limited to pay the redress set out above at "Putting things right".

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 21 April 2023.

Fiona Robinson  
**Ombudsman**