

The complaint

Mr H complains about AXA Insurance UK Plc's (AXA) handling of his claim, under his motor insurance policy, following an accident he was involved in when driving.

What happened

In June 2022 Mr H's car was damaged as a result of an accident. He contacted AXA to make a claim under his policy, which it accepted. Since then, he says there has been a lack of communication and a general poor standard of customer service from AXA and its agents. Mr H says he complained about this. He logged a second complaint due to a lack of communication from AXA's repairer. This was in addition to delays in the repairs, poor service, incomplete repairs, and additional damage caused by the garage.

Because of the time taken for AXA to respond to his complaints he referred the matter to our service. AXA subsequently made Mr H an offer of £500 compensation for the delays he'd experienced, issues with the repairs and for poor service. It said it was working to finish the agreed repairs to Mr H's car.

Mr H didn't think this was fair. He says AXA should pay him a minimum of £2,000 compensation. He also says it should repair his car using a manufacturer approved repairer. Alternatively, he asks that it buys his car from him and provides a hire car for 30 days whilst he finds a new one.

Our investigator looked into the matter and thought AXA's offer was reasonable. He says updates weren't always provided to Mr H during the claims process, there were problems with the repairs and there was an occasion he didn't receive the correct hire car. Our investigator felt the standard of service, and the standard of communication, should've been better. This resulted in distress and inconvenience for Mr H. But he thought £500 fairly acknowledged these issues. He also noted that Mr H was provided with a hire vehicle for the periods he was without his own car, which kept him mobile.

Mr H didn't think this outcome was fair. He says £500 isn't an acceptable amount and refers to the outcomes he requested previously. He also says that his car still hasn't been fully repaired, so our investigators recommendation doesn't resolve any of his complaint. Because he disagreed Mr H asked for an ombudsman to consider his complaint.

It has been passed to me 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 decided to uphold Mr H's complaint. I won't be adding to the payment our investigator thought was reasonable, which I understand will come as a disappointment. But I will explain why I think my decision is fair.

There's no dispute that Mr H's policy covers the loss he incurred when his car was damaged during his accident. My focus here is on the standard of claim handling and customer service Mr H was provided with by AXA and its agents.

Mr H raised two separate complaints with AXA. It didn't provide him with a response within the eight-week period allowed under the Financial Conduct Authority (FCA) DISP rules. So, he referred the matter to our service. AXA did subsequently offer a resolution, as discussed, which was communicated through our service. In these circumstances I'll consider the complaint issues up to the point AXA made its offer in mid-January 2023. AXA has agreed to combining all the complaint issues raised within this one decision.

Mr H had his accident at the beginning of June 2022. He reported this to AXA at the time. I can see from the claim records that the damage was assessed, and Mr H's car was booked in to one of AXA's approved repairers. There was an error with the hire car provided under Mr H's policy. This should've been an automatic but was processed as a manual transmission. A record toward the end of July says Mr H's car was returned to him. It was necessary for it to be booked in at a main dealer to carry out additional repairs. But the car was deemed safe to drive at this point.

Mr H contacted AXA a few days later at the beginning of July 2022. The records say the car wasn't driving correctly. It was returned to the garage for rectification work around a week later and a further hire car was provided. In mid-August Mr H chased for progress. AXA advised a quote had been received from its garage and it would process this shortly. The records show Mr H was provided with a manual hire car at this time, and again requested an automatic. AXA subsequently arranged this.

The records refer to an independent inspection in late August 2022. This was received by AXA in mid-December. I can see Mr H requested a copy of this report in mid-January 2023. The records show Mr H was being asked to pay his policy excess. These requests were halted on the basis that there were ongoing rectification issues for the original repairs. The last notes provided from January 2022 refer to Mr H asking when the repair work will start.

I've read the independent engineer's report AXA arranged. This found a number of issues with the repairs carried out at both of the garage's AXA used during Mr H's claim. The engineer recommended remedial repairs to fix a number of issues including: a replacement headlamp; headlamp adjustment; polish/repaint wing; refit wing trim; refit loose bumper; refit sill moulding; replace missing fixings; polish (goodwill); refit door handle and lock; check left hand rear parking sensor; replace steering rack; replace steering column; and replace brake reaction bushes.

From the engineer's report it's clear there were a number of issues with the repairs AXA arranged. We expect an insurer to arrange for repairs to be completed effectively. In this case the garages AXA used didn't do this. This resulted in delays to assess the rectification work with the involvement of an independent engineer. It's not clear from the records why it took several months to arrange the post repair report. But this wouldn't have been necessary had AXA's appointed repairer completed the work to an acceptable standard initially. The records show that one of the garage's also caused further damage to one of Mr H's wheels.

The issues with Mr H's car weren't resolved when he brought his complaint to our service. But, as discussed, I can only consider the complaint points he raised up to 20 January 2023. AXA's offer incorporates the delays and issues up to this date. I'm sorry Mr H's car wasn't fully repaired at this point. It says it's acting to finish these repairs. But if Mr H remains dissatisfied, he can make another complaint about any delays or issues beyond this point.

Having read the records provided the onus appears to have been on Mr H to contact AXA

and check for progress on the repairs. I don't think it's unreasonable for him to expect AXA to ensure he was regularly updated, which it didn't. In addition, there were issues with the type of courtesy car Mr H was provided with. I can see from his policy schedule that he has AXA's, "Courtesy Car Upgrade" option. AXA's policy terms describe this option as:

"The car provided will be of a similar size and transmission to your car and will have at least as many doors and seats as your car, up to a maximum of 7 seats."

Mr H wasn't always provided with a hire car that met these terms.

I've thought about the impact all of this had on Mr H. He was inconvenienced when having to contact AXA, and its repairers, to obtain updates. This continued for over seven months because of the rectification work needed due to the sub-standard repairs. Mr H describes the frustration he felt when his car wasn't repaired correctly. I acknowledge this relates to a number of different areas of his car. This meant further contact with AXA and further time waiting for his car to be repaired correctly.

Because of the inconvenience and frustration Mr H has been caused I think it's fair that AXA pays him compensation. I'm glad Mr H had use of a hire car whilst his was under repair, albeit I acknowledge the issues he described with this service. But in these circumstances, based on the impact on Mr H, I think AXA's offer of £500 is fair. I understand he will be disappointed. But this is in line with awards our service will look to make in these circumstances.

My final decision

My final decision is that I uphold this complaint. AXA Insurance UK Plc should:

- pay Mr H £500 compensation for the distress and inconvenience it caused him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 21 June 2023.

Mike Waldron
Ombudsman