

## The complaint

Mr W complains about AXA Insurance UK Plc's handling of their buildings insurance claim.

All references to AXA also include its appointed agents.

## What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my intended decision.

This decision focusses on events covered in AXA's final response of October 2022. Any reference to events following this date, or not covered under this complaint, are for contextual purposes only.

### *Our investigator's view*

Our investigator didn't recommend Mr W's complaint be upheld. In summary she said the compensation AXA offered Mr W was reasonable in the circumstances.

### *Further developments*

I wrote to both parties on 17 May 2023 because I was intending to come to a different outcome to our investigator. I said:

#### *"Compensation*

*AXA have acknowledged it has failed to effectively progress the claim at points during the claim – and could've provided better service. I can see Mr W has spent a considerable amount of time trying to proactively progress matters and resolve issues in the property, related to the claim, for his tenant. This included making payments to have works completed out of his own pocket due to the urgency required.*

*Having considered the time between the claim being initiated to around the time AXA provided payment to Mr W, and its final response, the amount of avoidable delays amounts to around half of this time period.*

*Although Mr W has said he isn't claiming for loss of rent, I do acknowledge his tenant ended their agreement early due to persistent issues in the property following the escape of water.*

*Which, up to that point AXA had not assisted in resolving.*

*AXA has offered Mr W £200 for the inconvenience caused. But having considered everything, I'm intending to direct AXA to raise this to £500, as I think this more fairly represents the inconvenience he has been caused.*

#### *The boiler*

*At the time of issuing the final response in October 2022 AXA said further validation was required before it considered costs for the replacement of the boiler. I can see this was*

*addressed under a separate final response in March 2023 and has been considered by our service under a separate complaint, so I won't comment on this further here.*

### **Settlement**

*Mr W has referenced in his submission to our service he feels there are outstanding amounts that haven't been included in AXA's settlement. I've set out my position above on the boiler. So, I will not comment on this further here.*

*If it has not already done so, AXA should consider on production of suitable proof such as invoices, any costs Mr W has incurred for temporary repairs or measures under the terms of the policy – including costs of dehumidifiers and the electrical inspection.*

*In particular, Mr W enquired with AXA whether it had someone from its panel of contractors that could inspect the electrics due to ongoing issues. AXA didn't respond following chasers from Mr W, so due to the urgency Mr W arranged for this to be done independently. I'm intending to direct AXA to meet the costs Mr W incurred plus 8% interest from the date the invoice was paid to the date it makes payment to him."*

AXA have not provided any further response.

Mr W did agree with my intended findings. He has provided a further detailed submission for me to consider. I do not intend to reference it in full here, but I can confirm I have reviewed its content in full. However, in summary:

- Mr W spoke of the mishandling of matters from AXA and its appointed agents.
- Mr W referred to the boiler issue.
- Mr W didn't agree the amount of compensation proposed in my intended findings reflected the distress and inconvenience he has suffered, or to sufficiently punish AXA for the way it handled his claim. He has also mentioned a sum of over £12,000 was initially approved by AXA for compensation.

### **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've considered what Mr W has said, and I understand he feels strongly about what's happened. I want to assure him I've read and carefully considered everything he has said. However, my findings focus on what I consider to be the central issues, and not all the points raised.

This isn't meant to be discourteous, but the purpose of my decision isn't to address every single point the parties have raised or to answer every question asked. My role is to consider the evidence presented by all parties to reach what I think is a fair and reasonable decision based on the facts of the case.

Having reviewed everything afresh my decision – and my reasoning remain the same.

### **Compensation**

Our service isn't a regulator. So, we don't make punitive awards and unlike a court our awards of compensation are relatively modest in comparison. I understand why Mr W considers I should award a significant amount of compensation. However, having reviewed everything available to me, I'm satisfied the award I made in my intended findings is fair and

reasonable in recognising the inconvenience Mr W has been caused by AXA's actions for the matters, and the period of time, I'm considering in this complaint.

Mr W has referenced AXA initially approved a sum of over £12,000 for compensation. While I have seen a similar figure referenced in correspondence, this relates to the potential settlement of a claim. Not compensation.

#### *The boiler*

At the time of issuing the final response in October 2022 AXA said further validation was required before it considered costs for the replacement of the boiler. I can see this was addressed under a separate final response in March 2023 and this has been considered by our service under a separate complaint. So, as I said above, I won't be commenting on this further here.

For the reasons set out in my provisional findings, and those above, I uphold this complaint.

#### **Putting things right**

To put things right I direct AXA to:

- Consider on production of suitable proof such as invoices, any costs Mr W has incurred for temporary repairs or measures under the terms of the policy – including costs of dehumidifiers and the electrical inspection.
- 8% simple interest should be paid on the above, from the date the invoice was paid to the date AXA makes payment to Mr W.
- Pay Mr W £500 compensation.

#### **My final decision**

My final decision is that I uphold Mr W's complaint.

To put things right I direct AXA Insurance UK Plc to do as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 22 June 2023.

Michael Baronti  
**Ombudsman**