

The complaint

Miss T complains about how AXA Insurance UK Plc (“AXA”) handled a claim she made on her home insurance policy following a leak at her home.

Any reference to AXA includes its agents.

What happened

Miss T has a home insurance policy with AXA.

Miss T had a leak in her home in January 2022. She found water coming through her living room ceiling, the water travelled through the bathroom and entered two bedrooms before coming through the ceiling downstairs. Miss T reported it to her insurer who attended quickly and appointed another company to validate the damage and deal with the claim. The building had to be dried out which, she says, took months.

Miss T agreed to AXA’s contractors completing the work in her home as she thought it would be quicker and paid the excess. But there have been delays in completing the work and she’s had to chase the loss adjusters for updates and to get the work progressed.

Miss T says her furniture was removed in March 2022 but not returned. She feels she had to keep chasing AXA in order to find out what was happening with her claim. There were numerous delays and the whole claim has been very stressful for Miss T. At one stage the family were all living out of one room. She also says she was unable to obtain insurance because the claim with AXA was taking so long to complete.

Miss T wants AXA to complete the repairs and put her house back into its original condition. Because she wasn’t happy she complained to AXA.

AXA said it accepted Miss T’s claim hadn’t followed the correct processes and procedures, and it apologised for that. It made a payment of £150 for any inconvenience caused, and a further £25 because AXA didn’t respond to Miss T’s concerns with the agreed timescales. Miss T was awarded a further £50 for a missed appointment with the contractor. In total Miss T was awarded £300 compensation for the delays and lack of communication.

Miss T wasn’t happy with the response from AXA. She said the offer of £225 was an insult and the issues with the repairs were significantly delayed. So she referred her complaint to this service. Our investigator looked into things for Miss T. She said AXA accepted there were delays and already paid Miss T £300 in recognition of the distress and inconvenience those delays caused. She said due to the time the claim has been ongoing and the impact of Miss T she recommended AXA pay Miss T a further £200 to settle the complaint. The investigator said by March 2023 the claim had been going on for thirteen months and the repairs weren’t completed in time. She recognised the impact and distress caused to Miss T as a result of AXA’s handling of the claim.

Further information was provided to the investigator but her view didn’t change. So the complaint has come to me to 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.

I understand Miss T has strong views about what has happened. And I can empathise with the situation she now finds herself in. I have read and considered everything I've received. My role is to consider the evidence to reach what I think is a fair and reasonable decision.

The relevant industry rules say an insurer should handle claims promptly and fairly. The escape of water in Miss T's home was reported in January 2022. AXA appointed a loss adjuster to deal with the claim and a drying company to dry out the areas affected by the water. The drying was completed in March 2022. The schedule of works was updated and approved on 19 April 2022. But Miss T didn't sign the mandate or pay the excess until July 2022. And the work continued for several months after that. So I don't think AXA has dealt with the claim promptly or fairly.

I can see Miss T contacted AXA on a number of occasions in order to obtain an update on her claim and to get the repairs done as quickly as possible. Often calls weren't returned when they should have been, or Miss T was provided with incorrect information.

Miss T provides compelling testimony of the impact the claim has had on her and her family. It is also backed up by photographs and the claim notes from AXA. I've no doubt it has been a difficult and stressful experience, not helped by the delays and lack of proactivity.

Based on what I've seen I think it's fair to conclude AXA haven't acted fairly or reasonably towards Miss T by not arranging for the repairs to be carried out promptly.

AXA has accepted the service Miss T received wasn't the level it would expect and paid her £300 to reflect the distress and inconvenience caused. I've thought about this carefully. It's not our role to punish businesses where they haven't acted fairly towards consumers, but given the circumstances described by Miss A, the length of the delays, and the inconvenience she has suffered I think a further award is due. I have detailed what I think is reasonable below.

Putting things right

I've taken the view that AXA have acted unreasonably and so it should;

- Pay Miss T a further £200 for the distress and inconvenience caused bringing the total compensation to £500.

My final decision

For the reasons explained above I'm upholding Miss T's complaint about AXA Insurance UK Plc and direct it to do what I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 21 August 2023.

Kiran Clair
Ombudsman