

The complaint

Miss W complains about the level of service provided by AXA Insurance UK Plc following a claim made on her motor insurance policy and that it has deemed her car to be repairable. She wants it to deem her car to be a total loss.

What happened

Another driver reversed into the side of Miss W's car, and she made a claim to AXA. There were problems with delays and poor service. So Miss W arranged some repairs herself. She said there were mechanical problems caused by the accident as well as bodywork damage.

AXA appointed an independent engineer to assess the car and he thought the mechanical damage was unrelated to the claim. And so AXA said the car was repairable and, due to previous poor repairs, it paid Miss W cash in lieu of repairs. AXA awarded Miss W £50 compensation for service failings. Miss W was unhappy with its decision and its level of service.

Our Investigator recommended that the complaint should be upheld in part. He thought AXA had reasonably relied on the independent engineer's report that the mechanical damage was unrelated to the accident. He thought it had reasonably decided that the car was repairable. But he thought AXA's level of service had been poor and it had caused avoidable delays in the claim. He thought it should pay Miss W £250 further compensation for this.

Miss W replied that her car had been well maintained before the accident which she thought had caused the mechanical damage. She said her car was no longer working. Miss W asked for her complaint to be reviewed by an Ombudsman, so it's come to me for a final decision.

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.

Miss W has explained that being without a driveable car has had a significant impact on her family and herself. I was sorry to hear about this and the impact on her health and finances.

Miss W has raised a number of concerns about how AXA has dealt with her complaint and the service it has provided. But I think the crux of Miss W's complaint is that AXA has decided that the engine problems aren't due to the accident and that it won't declare her car to be a total loss.

We're not engineers. We don't assess whether or how damage to a vehicle would be caused as this is a matter for the experts in these situations, the insurance companies and engineers. Our role in these complaints is to determine whether an insurance company has considered all the available evidence and whether it can justify its decision to not pay for additional repairs.

I can see that when Miss W raised concerns about the engine damage, AXA had her car inspected by an independent engineer. He said there was no evidence of impact damage to the engine. He said warning lights suggested the car had been poorly maintained.

His report was reviewed by AXA's engineers. And it decided that damage to the nearside door was accident-related, but not the engine damage. This was because the engine damage wasn't near the site of the impact. And it thought the car had been poorly maintained. So AXA paid Miss W cash in lieu of repairs for the bodywork damage.

Miss W had provided a report from her own garage. I can see that this gives an estimate for repairs to her car. But it doesn't distinguish between those that are related to her claim and other damage. I can see that AXA considered and rejected this estimate. And I think that was fair and reasonable in the circumstances.

I haven't seen that AXA had any independent engineering evidence to show that the engine damage was caused by the accident. So I'm satisfied that it has justified its decision that it's responsible just for the bodywork damage. And as the independent engineer and AXA's engineer's reports assess the car as repairable, I can't say that AXA should declare it to be a total loss.

It took AXA some time to get to the point of offering Miss W a cash settlement. And Miss W had explained the impact the delays had on her family. I can see that Miss W had access to a courtesy car for a short time. But Miss W wasn't entitled to a courtesy car unless her car was taken for repairs. And as she was paid a cash settlement, AXA had indemnified her, and she wouldn't then be entitled to a courtesy car.

But AXA has agreed that there were avoidable delays in the claim. And I'm satisfied that these were avoidable and caused Miss W significant trouble and upset. AXA had already paid Miss W £50 compensation for its level of service. But our Investigator thought it should pay her £250 further compensation for the impact of the delays and its poor communication.

I think that's in keeping with our published guidance where there have been errors that have had a significant impact over several months. So I think that's fair and reasonable.

I can see that Miss W has raised concerns about AXA's investigation of liability for the accident. But I can't consider that here as I can't see that AXA has responded to Miss W's complaint about this.

Putting things right

I require AXA Insurance UK Plc to pay Miss W £250 further compensation for the distress and inconvenience caused by its delays in her claim, as it's already agreed to do.

My final decision

For the reasons given above, my final decision is that I uphold this complaint in part. I require AXA Insurance UK Plc to carry out the redress set out above, as it's already agreed to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 15 November 2023.

Phillip Berechree
Ombudsman