

## **The complaint**

Ms E and Mr J have complained about AXA Insurance UK Plc. They are not happy about the way it dealt with a claim under their home insurance policy and eventually declined the claim.

For ease of reading any reference to AXA includes its agents.

## **What happened**

Ms E and Mr J made a claim under their home insurance policy in relation to an escape of water at their home address that caused a lot of damage to their property. The claim was ongoing for a number of years and the claim was delayed by both sides.

During the claim Ms E and Mr J put in claims for expenses in relation to alternative accommodation (AA) and the temporary care for their pets in a kennel and cattery. But when AXA looked into the documents that were submitted it had questions surrounding their validity and so they appointed an investigator to consider matters further. Following further investigation into the claim and supporting documentation AXA's investigator asked to discuss matters with Ms E and Mr J but they refused to cooperate. This was because they wanted to know the detail of what was being asked before interview and because they felt AXA were just looking to stall their claim and wanted AXA to continue its investigations and repairs at their property.

AXA continued to look into the claim and appointed solicitors to consider matters further. The solicitor wrote out to Ms E and Mr J explaining the concerns it had in relation to the validity of the receipts provided. And raised questions they had surrounding the AA and said they required explanation and cooperation from Ms E and Mr J. As they didn't cooperate AXA went on to decline the claim.

During the period of investigation Ms E and Mr J complained to AXA and then this Service.

Our investigator looked into things for Ms E and Mr J but didn't uphold their complaint. She asked them about the discrepancies identified by AXA, but they didn't provide a response to all the investigator's questions. Ms E explained that they felt pressured to uplift one of the costs by one of the providers but didn't really provide a full response in relation to all of the questions posed. Overall, she didn't feel AXA had done anything wrong in declining Ms E and Mr J's claim given the concerns it had around the exaggeration of their claim.

As Ms E and Mr J didn't agree the matter has been passed to me for review.

## **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, and despite the great deal of sympathy I have for the difficulties Ms E and Mr J have faced advancing this claim, especially given their physical and mental health

problems, I'm not upholding this complaint. I know this will come as a great disappointment to Ms E and Mr J, but I'll explain why.

I know Ms E and Mr J feel that the focus should be on whether AXA has dealt with their claim in a timely and considerate manner throughout and I note that AXA has looked to compensate them previously about aspects of how it handled their claim. But, as our investigator explained, I must first consider whether its decision to decline their claim was fair.

I think it's important to explain I've read and taken into account all of the information provided by both parties, in reaching my decision. If I've not reflected something that's been said in this decision it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint, which in this instance is the decline of the claim. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is. This also means I don't think it's necessary to get an answer, or provide my own answer, to every question raised unless it's relevant to the crux of the complaint. So I will focus on the key issue in this complaint which comes down to AXA's decision to decline Ms E and Mr J's complaint as it felt they exaggerated their claim which was a breach of the policy terms.

As our investigator explained under the Insurance Act 2015, if any part of Ms E and Mr J's claim is false or has been exaggerated, then the insurer, AXA, doesn't have to pay any part of the claim – not even the genuine parts that have been claimed for. And the policy says *'make sure the detail You provide is accurate and honest. If We detect false, fraudulent or exaggerated information when dealing with a claim, Your claim will not be paid and we may inform the police of the circumstances.'*

Ms E and Mr J submitted claims for a lot of money in relation to AA and the homing of their cat and dogs as they needed looking after while they were away from their property. AXA looked into the claim as insurers ordinarily do and noticed a few clear discrepancies in the documentation provided in support of their claim. The invoices provided suggested that they had been created or amended by Mr J so, understandably, AXA appointed an investigator who wanted to discuss this with Ms E and Mr J.

I know Ms E and Mr J found this intrusive, difficult, and thought that AXA were just trying to put up barriers to their claim. And said that they were happy to cooperate with AXA, but they wanted to know what questions their investigator wanted to ask before they spoke to AXA. While I can understand this and Ms E and Mr J's suspicions, but insurers are duty bound to investigate claims to ensure they are genuine. And given the inaccuracies and discrepancies identified I think AXA acted fairly in looking to get to the bottom of the issues identified, especially given the highly inflated nature of the claims. I know Ms E has suggested that they were only looking to claim what they were due under the claim but claiming for 40 days overnight kennelling fees when, at the most there was 10 days, doesn't sit with this.

Plus, there is always an expectancy for the insured to cooperate with their insurer and I wouldn't expect AXA to forewarn or provide a list of questions it would like answered before attendance, especially in circumstances like this. Indeed, I note that when AXA's solicitor outlined the areas it needed answers to in relation to its concerns around the exaggerated claims Ms E and Mr J didn't answer these questions. And ultimately this led to AXA's decision to decline their claim as it couldn't get to the bottom of the discrepancies. Plus, Ms E and Mr J were given the opportunity to respond about the discrepancies identified by our investigator but didn't fully engage with this either.

However, I note that Ms E has answered one of the questions raised by our investigator as to why one of the claims for the temporary homing of their pet said it cost £35 for the

overnight care of her animal when actually the going rate was £25. Ms E has suggested that she was coerced by the proprietor. But I haven't seen any evidence of this, just that there was a suggestion that the cost should be inflated by the owner in a text and Ms E and Mr J seemingly agreed. I know Ms E and Mr J suggest that they had no choice but to agree, but I haven't seen any real evidence to support this. So, I can't say AXA acted unreasonably here.

AXA also had questions about the AA claim that Ms E and Mr J submitted as again there were questions around the claim presented. AXA's investigator looked into this and understandably attended the property that Ms E and Mr J said they rented. The investigator wasn't able to speak to the owners who were friends of Ms E and Mr J who subsequently said they didn't want any further contact made with the owners. Again, given the discrepancies identified I find this surprising, and I'd expect Ms E and Mr J to have helped here.

In relation to the AA AXA's investigator attended the proposed property for information as it was clear that the accommodation isn't usually used for rental purposes and given the discrepancies identified in the documentation, I don't think this was unreasonable. Ms E and Mr J then asked AXA not to contact their friends about the AA and haven't been able to provide any additional supporting evidence, such as something showing payment for the AA or cooperating with AXA's investigator.

One of the key concerns AXA had throughout this claim, which they wanted to speak to Ms E and Mr J about, was the production and changing of the invoices and receipts in relation to all three claims identified above. I would have expected Ms E and Mr J to make themselves available in order to clear this up with AXA's investigator, but they didn't. I'm sure it would have been easy to clear this up if there was a simple and innocent explanation and Ms E and Mr J could explain why they felt coerced amongst other things.

Given all of the above, and the clear questions AXA had about the documentation and claims made for AA, the cattery, and the kennels I'm not sure why Ms E and Mr J didn't cooperate. While I accept the supporting information provided by Ms E and Mr J of their good character and that they had a number of physical and mental health issues, they were still required to cooperate with AXA and its investigation.

As such, I can't say AXA didn't act in good faith or unreasonably when it turned down Ms E and Mr J's claim in line with the policy terms as it felt there was clear evidence of an exaggerated claim. I know Ms E and Mr J feel their actions couldn't amount to fraud as the invoices they were claiming for were costs they were always entitled to under the policy. But the costs claimed seem significantly higher than those incurred, and I don't think I can say AXA have acted unfairly given the clear evidence that the invoices were altered, most likely by Mr J.

### **My final decision**

It follows, for the reasons given above, that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms E and Mr J to accept or reject my decision before 14 March 2024.

Colin Keegan  
**Ombudsman**