

The complaint

Miss B has complained about her car insurer AXA Insurance UK Plc regarding how it handled a claim she made following an accident.

What happened

Miss B had an accident in July 2023. She made a claim to AXA, followed by a complaint a few days later. AXA upheld that complaint and offered £50 compensation which Miss B accepted in resolution. However, Miss B continued to experience poor service from AXA, its agents and a car hire company AXA had put Miss B in touch with. Miss B made two further complaints to AXA in July 2023 – with the second one including an issue about an outstanding repair to her car. Miss B continued to try and resolve the repair issue over the coming months, making a further complaint in October 2023. The October 2023 complaint addressed the on-going unresolved issue but also highlighted another repair issue.

By this time Miss B had made a complaint to the Financial Ombudsman Service. AXA accepted it had provided poor service, particularly that there had been a very poor standard of communication. Regarding the repair issues, AXA admitted to being somewhat unclear about what was outstanding, and what it (and its garage's) position was. In December 2023 though, AXA accepted the unresolved repair issue was further evidence of it not having handled things well and that the matter had been going on for too long.

During the course of Miss B and AXA dealing with the Financial Ombudsman Service, AXA put forward two offers of compensation. Initially it said it would pay £250 (this was separate and, therefore, not including the £50 offered for the resolved complaint). It then said it was minded to increase that sum to £400. Miss B said she was confused and upset by these offers given the issue – her car not being repaired – remained unresolved.

Our Investigator issued two views on the complaint. He accepted that AXA had failed Miss B at times – but he also felt she had sometimes made more calls to it than necessary. He noted AXA had said it had failed to provide a courtesy car to Miss B when it should have done (whilst the car was being repaired). Also that Miss B was caused distress and inconvenience as a result. He felt it should pay a total of £500 compensation (including all of AXA's previous offers of compensation) to make up for that. He said AXA should also now arrange to repair the car or cover the cost to Miss B of repairing the car.

AXA said it accepted the findings. Miss B remained unhappy. The complaint was referred to me for an Ombudsman's consideration. I was minded to uphold it, requiring AXA to repair the car and pay compensation. But I felt AXA should be paying £750 compensation. So I issued a provisional decision, my findings of which were:

"First complaint to AXA 7 July 2023

I mention this here for clarity. This was about not getting a hire car delivered to Miss B's address, and her being on hold to AXA for a long time before being cut-off. Miss B's confirmed she's accepted the £50 compensation as resolution of this complaint. So the activity at the heart of it, and the compensation payment, won't be considered by me here.

The period I'm considering

Speaking very generally for a moment, there are really two periods and causes for upset here. We have AXA's handling of the claim from 7 July 2023 up until the car was returned to Miss B, and all that went with that including the lack of a courtesy car. And there is then, from the point the car was returned, AXA's handling of the repair issues. That has never been resolved to date – but my findings for practical purposes alone, have to have a cut-off point. This perhaps, can also help Miss B understand why AXA had offered compensation during the course of the claim and complaints, even though the issues that had triggered concerns hadn't themselves been resolved. In short neither this service nor an insurer can apply compensation forwards because awards for compensation are based on what has happened and what upset has been suffered.

I note that as of 13 December 2023 AXA had told our Investigator that it now accepted the repair issue needed sorting – and that it was proposing an increased compensation sum to account for what had happened to date. And then on 28 December 2023, the repair issue itself had moved to a stalemate situation with the garage having told Miss B she hadn't provided the necessary evidence. I think that is a reasonable and sensible cut-off point for my considerations.

So this decision looks at what happened, and the consequences of any failures by AXA, between 7 July 2023 and 28 December 2023.

Hire company

I understand that Miss B had a difficult time dealing with the hire company. And she feels AXA is responsible for all of that. But the hire company did not act as an agent of AXA in this arrangement. Rather AXA acted as an introducer – passing Miss B's details to the hire company. But I do think AXA muddled the waters in this respect – and in doing so I think it failed Miss B, which I'll explain in my next section. But in respect of any action of the hire company, and any upset Miss B was caused – I'm satisfied AXA isn't responsible for that.

AXA muddying the waters

In this claim AXA noted Miss B needed a car – but that she had no cover with it for a courtesy car until her car was being repaired. It was also aware that Miss B was likely not at fault for the claim. So it thought it would try and assist Miss B by introducing her to the hire company. I think that was reasonable of it. And a letter of 6 July 2023 to Miss B explained that the hire car service was not part of her policy with AXA.

However, when Miss B then began having trouble with the hire company, AXA tried to intervene. It didn't explain why or on what basis it was doing this. I can see why Miss B thought AXA must be in, or should have some, control over the hire company. Further, AXA has acknowledged that, in trying to help, it actually offered an inappropriate resolution – just reverting Miss B back to the provider which it should have known would ultimately result in exactly the same issue occurring. So I do think AXA caused Miss B distress and inconvenience even whilst it was trying to assist her.

Poor communication

AXA has accepted that it generally provided poor communication throughout. It's also identified that some of that has likely stemmed from its own claim notes not having been particularly thorough or clear. For example, AXA knew Miss B's car could not be driven – but its search for a repair garage was initially undertaken on the basis of the car being driveable. Which meant Miss B was contacted by a garage to arrange the work, who couldn't do the job because it had no facility to collect the car.

I know Miss B called AXA quite a lot. I think she called it when she needed to because things weren't getting resolved. And whilst some of those calls relate to failures of the hire

company, AXA continued to deal with Miss B on this issue, to try and assist her. So it doesn't surprise me that she kept reverting to it. I can see from Miss B's telephone bills that she spent a lot of time on calls to AXA – and I note what she says, the bills don't show all the time she spent on calls from it too. If AXA had handled things better, I think a lot of this contact could have been avoided and/or condensed. And I note AXA has agreed that its service was so poor, Miss B was effectively managing the claim.

Courtesy car

AXA took Miss B's car for repair on 11 July 2023. It has accepted that she should have had a courtesy car at that time but didn't get one. Miss B's car was returned to her on 20 July. I'm aware that Miss B had a lot of concern at this time as she was starting a new job and had to make arrangements with a colleague to be collected and dropped off. Also that she was impacted in her role as a carer for family members. Whilst this loss of use occurred only over a short period, I accept the impact on Miss B, in terms of distress and inconvenience, was significant. Fortunately, due to the arrangements with the colleague, there was no financial impact on Miss B.

Repairs

AXA has agreed to pay to repair Miss B's car. It's taken far too long, in my view, for these simple repair issues to reach this point of near conclusion. And again AXA, at least in part attributes, the delay in this to confusion extending from its poor claim notes file. AXA's file references "additional damage" (its words) being raised in July 2023. But the next note on its file is then September 2023 when it says it's a little unclear what the issue is that is being complained about. That is not indicative of a reasonable insurer pro-actively dealing with its policyholder's concerns about a repair. And because AXA did not get a proper handle on this issue at that time, Miss B made a further complaint in October 2023.

That further complaint included some further damage. And because the first reported damage hadn't been correctly identified and investigated by AXA, AXA then became confused about the two issues. AXA, without speaking to Miss B, accepted its garage's word that it had tried to gain clarity from Miss B but she had sent in incorrect photos. It directed the garage to return to Miss B setting out clearly what was needed. I can see that the email then sent to Miss B caused her upset because she thought she had provided what was needed. I'm really not sure why, in July 2023, AXA didn't just have its garage or an independent engineer go out to view the car. It had accepted that it had provided Miss B a poor service throughout the claim – it seems to me that the reasonable action from it to the news that there was damage to the car, would have been to go out and see it. In other words, to manage the situation pro-actively so as to try and avoid, or at least to try and minimise, further upset and inconvenience.

I confirm the issues are a chip in the wing and a body panel that is out of alignment possibly (Miss B thinks) due to a broken clip. I've reviewed the available photos and evidence of the repairs completed. I take into account that AXA hasn't acted to assess the car itself and provide a compelling argument as to why this car doesn't need additional repair in these respects, or at least that it is not liable for such. And I note that AXA, in response to our Investigator's findings, has agreed to address these issues. On balance I think it's most likely the issues relate to the claim and/or AXA's repairs. I think it's fair and reasonable to conclude that AXA is liable for fixing them.

Miss B then will have a choice to make. She can either allow AXA to arrange the repairs. If my final decision remains the same and Miss B accepts it, it should act to arrange that immediately we tell it of the acceptance. Getting a car into a garage will depend upon workflows – but AXA should, within two weeks of being advised of Miss B's acceptance, contact Miss B with suggested dates for the work to take place. The suggested dates should fall within one calendar month of the date of the contact. If Miss B wants a courtesy car, it

will be up to the parties to negotiate and agree on a convenient date when such can be provided. This method will, hopefully, require the least level of inconvenience for Miss B. But I appreciate that she may not want to be involved with AXA to this degree any further.

To that end, if Miss B wants to arrange the repair herself instead, she can gather three quotes for AXA to verify and, once verified, it can choose one to make payment against. And if she wants a replacement car for the period of repair, she can provide quotes for hire to AXA for it to choose one to pay against.

I appreciate though, as Miss B has highlighted in reply to our Investigator, that this second method does require a lot of in-put, and therefore, time spent by Miss B. I can understand that, in the circumstances here, Miss B may not want to be put to all that trouble. And Miss B should be aware that if she arranges the repair and she is then not happy with what her repairer does, AXA won't have any responsibility in that respect. But I will leave it up to Miss B to decide which remedy she wants to pursue with AXA.

Compensation

I've set out above where I think AXA failed Miss B. And I've acknowledged she was caused distress and inconvenience as a result. At times that impact on her was greater than at others. For example, she suffered a lot, albeit over a relatively short period, when she had no courtesy car. Whereas she was impacted to a lesser extent, but over a longer period, when AXA failed to deal meaningfully with the repair issues. Overall, of course, Miss B had a claim which was poorly managed from the outset and which, seven months later, at the end of December 2023, due to outstanding repairs, remained unresolved. I think a total of £750 compensation is fairly and reasonably due."

Miss B said she was pleased by the provisional findings. But she explained that she had incurred a financial loss when being driven to and collected from work because AXA didn't provide the courtesy car – she'd had to pay £136 for fuel as the driver had to complete extra miles. She also explained that when her car was dropped back to her in July, she pointed out the chip then, and the garage initially said it would resolve that. But that changed later, and she was referred back to AXA. Further, that the issue identified in October 2023 was with work AXA had completed. She's now been told that the latter issue can be repaired, but to fix the chip will require a replacement grill – she asked if that will change the options she has. Miss B confirmed that neither of these issues has been rectified. Miss B said that the claims that she had not been cooperating had been upsetting for her.

AXA said it accepted my findings. And when our Investigator also asked it if it would pay the additional £136 which Miss B had notified of, it agreed to do so.

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 note AXA has agreed to pay the additional £136 which Miss B spent on fuel when it failed to provide her a courtesy car. I think that's fair of it in the circumstances here – in short Miss B shouldn't be out of pocket. I'll add that as an award.

I thank Miss B for the clarification about the repair issues. Her report of what she's been told about resolving those issues won't change the options she'll have. But I can't say at the minute that replacement is definitely required and AXA will have to pay for that. The fair method remains that if Miss B should want to take on repair herself, she'll have to get quotes for that for AXA to consider – and it is possible that when it does so, if they include a replacement grill, it won't think that is necessary. The parties would then have to discuss

that. If though Miss B chooses to allow AXA to arrange the repair, it will be up to it to decide what repairs/replacements are needed. It will remain liable for completing that work to a good standard.

I know Miss B suffered frustration and upset when she was told she hadn't cooperated with AXA's agent because she hadn't provided clear detail. I can assure Miss B that I took that into account when awarding compensation.

Having reviewed everything, and save for the additional award which I've explained, my view on the fair and reasonable outcome and redress for this complaint hasn't changed. As such my provisional findings, along with my comments here, are now the findings of this my final decision.

Putting things right

I require AXA to:

- At Miss B's choice;
 - Arrange to repair her car, in line with my comments and timescales set out above; or
 - Consider quotes provided by Miss B for her to repair her car and obtain a hire car, making reasonable payment to her to complete the repairs whilst staying mobile.
- Pay Miss B £750 compensation (for clarity this is separate to the £50 previously paid in resolution of the first complaint to AXA, and it supersedes the other offers of compensation AXA has made but not paid).
- Pay Miss B £136.

My final decision

I uphold this complaint. I require AXA Insurance UK Plc to provide the redress set out above at "Putting things right".

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 18 April 2024.

Fiona Robinson
Ombudsman