

The complaint

Mr T complains about AXA Insurance UK Plc's handling of a claim he made under his home insurance policy.

AXA is the underwriter of this policy i.e. the insurer. Part of this complaint concerns the actions of its agents. As AXA has accepted it is accountable for the actions of the agents, in my decision, any reference to AXA includes the actions of the agents.

What happened

In early 2023, Mr T made a claim for accidental damage under his home insurance policy with AXA after his bed and carpet were damaged by spilt paint.

In July 2023, Mr T brought a complaint to our service because AXA hadn't yet validated the claim and he felt its communication was poor. Our investigator issued an outcome in November 2023. She said she'd looked at events prior to AXA's final response of 26 May 2023 and thought the £150 it had paid him was reasonable compensation for unnecessary delays and a lack of updates.

Mr T said there still hadn't been any progress on his claim, so our investigator considered the events from May 2023 to November 2023 as a separate complaint. She issued her outcome to this complaint in February 2023. She acknowledged that AXA had offered Mr T a further £400 compensation in October 2023 and recommended AXA pay Mr T £100 in addition to this.

Mr T didn't think this was enough to put things right because his claim still hadn't been resolved more than a year after he'd made it. Our investigator explained that he'd need to raise another complaint about events from November 2023 onwards in order for our service to consider these.

AXA said it accepted our investigator's view, but Mr T told us that it hadn't paid him the compensation it had agreed to. Our investigator asked AXA to confirm whether or not the compensation had been paid but AXA didn't respond to her emails. So, the complaint has been passed to me for a 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.

Having done so, I've decided to uphold Mr T's complaint. I'll explain why.

I thought it would be helpful to provide some clarity about the Financial Ombudsman Service's role and the scope of the complaint that I'm deciding. Our role is to resolve disputes between complainants and financial businesses, to help both parties move on. It isn't our role to handle a claim or to deal with matters as they arise.

I'm aware that Mr T has also complained about AXA's decisions relating to the settlement of his claim. Our service will be considering that as a separate complaint.

In this decision I will be considering events complained of from AXA's final response email of 26 May 2023 up until its final response of 23 November 2023.

The relevant industry rules say an insurer should handle claims promptly and fairly.

In its final response email of 26 May 2023, AXA acknowledged there was some avoidable delay in progressing Mr T's claim as well as some poor communication. It said that due to the delays, a member of its claims team would be in contact by the end of the following week to provide him with an update and it would continue to monitor the progression of the claim moving forward.

In its final response email of 31 October, AXA said it had investigated the issues experienced beyond 26 May 2023. It said there was missed communication between the contractors and the claims team which had contributed to delays. As a result, Mr T had had to chase multiple times for updates and there had been no further progress on the claim. It said the claims team was still completing the validation of the claim and would be in contact with Mr T shortly. AXA said it would be issuing £400 compensation to Mr T's bank card and he should allow ten working days to receive it.

AXA sent Mr T a further final response email on 23 November 2023. It said it could see Mr T was unhappy with the service he'd received since 31 October 2023. It appreciated Mr T had received no further update in relation to his claim and it understood it had contacted him to discuss it further on 22 November 2023. It apologised for the worry and inconvenience Mr T had experienced but didn't offer him any further compensation.

I understand this has been a very frustrating experience for Mr T. He and his wife had been left sleeping in a room with paint on the carpet and bed for almost a year by the time of AXA's email of 23 November. I also understand the communication from AXA has been very poor. Mr T says he's had to spend a lot of time on phone calls and emails. And I think it was particularly frustrating for Mr T to find that his claim hadn't been progressed, despite his previous complaints being upheld.

AXA has agreed to our investigator's recommendation to pay Mr T a total of £500 to compensate him for the distress and inconvenience he experienced from May to November 2023. I think this reasonably recognises the impact of AXA's poor service on him.

Mr T says he hasn't received any compensation from AXA. In its final response email of 26 May 2023, AXA said it was paying £150 to Mr T's card within 20 working days. In its final response email of 31 October 2023, AXA said it had issued a payment of £400 to Mr T's card which he should expect to receive in 10 working days. AXA accepted our investigator's recommendation to pay him an additional £100 on 28 February 2024. This brings the total compensation to £650.

As AXA hasn't responded to our investigator's emails, we haven't been able to gain confirmation that payments for compensation have been made. So, to put things right AXA will need to ensure Mr T is paid a total of £650 compensation for the distress and inconvenience he experienced up until 23 November 2023. It should check what payments have already been made and pay him anything it needs to in order to bring the compensation up to £650.

Putting things right

AXA should ensure Mr T is paid a total of £650 for distress and inconvenience.

My final decision

For the reasons I've explained, I uphold Mr T's complaint and direct AXA Insurance UK Plc to put things right by doing as I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 3 July 2024.

Anne Muscroft
Ombudsman