

The complaint

Miss B and Mr R complain that AXA Insurance UK Plc (AXA) hasn't completed repairs to their property properly, and this has led to further damage in their home.

What happened

In December 2022 Miss B and Mr R made a claim after a burst pipe in their loft damaged a room below. AXA accepted the claim, and after some time the claim was finalised. How that claim was handled isn't part of this decision.

About six months after work was finished, Miss B and Mr R contacted AXA to say that there was water getting into their newly refurbished room through the French doors. That was in October 2023. AXA said it would contact the contractors that carried out the original work. When the building company looked at the problem it said it was nothing to do with the work they had carried out and the issue was with the door not the repairs.

Miss B and Mr R provided some evidence to show that the original water damage ran under the sill of the doors and suggested that any potential damage hadn't been considered when the repairs were carried out. The builder refused to acknowledge this might be anything to do with them. A regional manager who visited couldn't conclude either way whether the doors were faulty before the original leak or not. In January 2024 AXA appointed another contractor to check that there weren't any more pipework problems but appears to have sent the instruction to the wrong company. Mr R passed some information on this to AXA in early February. No report has been provided. AXA also suggested Miss B and Mr R could obtain an independent survey to support their position but hasn't done anything else to progress the problem.

Miss B and Mr R had already complained about how AXA was handling the issue in November 2023 and AXA said it would pay them £100 to make up for not responding to them in a timely manner.

Miss B and Mr R don't think this is good enough. They say their newly repaired room is suffering increasing damage and want AXA to sort the problem out as soon as possible. They asked us to review their complaint.

Our investigator didn't think AXA had done enough. Despite several reminders, AXA didn't send us the outstanding report, nor did it appear to have taken any steps to resolve the outstanding problem since the complaint was referred to us in March 2024.

Our investigator concluded that the £100 payment for a lack of communication early on was reasonable. He also thought AXA hadn't done enough to resolve the outstanding problem. He thought that a fair way to deal with this was for AXA to undertake further repairs. Those were to include repairing the French doors and putting right any further damage that had been caused.

The deadline for responses was the beginning of May but AXA hasn't responded despite reminders. I've been asked to decide this complaint.

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'm going to uphold this complaint for much the same reasons as our investigator gave. I'll expand a little on my thinking.

If I don't mention everything that's happened in this complaint, that's because I've concentrated on the main issues. I have considered everything either party has said or sent as evidence.

Once an insurer agrees to meet a claim, and undertakes repairs, those repairs must be of good enough quality and competently carried out so as to make them lasting repairs. AXA, as the insurer, is responsible for this, which means it's responsible for all the actions of the contractors it appoints.

The repairs in this claim haven't lasted. Miss B and Mr R reported ongoing issues within six months. So AXA is obliged to take steps to rectify this – or gather enough evidence to support a decision not to do any more work.

From what I've seen, the builder who carried out the repairs says its work was acceptable, and that the current damage is caused by a (possibly) longstanding issue with the French doors that means they let water in. There are some photos that suggest there are failing seals around the doors although these aren't very clear. There's also an argument made that the doors wouldn't have been damaged by the original leaks from pipes.

Set against this is a photo from Miss B and Mr R that clearly shows water was getting under the doors during the original escape of water. It's also clear that this water froze at the time which might have caused further damage under the doors. I'm satisfied that this is enough evidence to show there may well have been damage caused by the leak that wasn't put right by the builder.

AXA has had this information for many months, but has failed to make any progress on sorting the issue out. I'm not sure why that is given its own internal records show that it knew it was unlikely to ever be able to prove the damage to the doors existed before the leaks and that it should take a pragmatic approach and do further repairs.

Putting things right

Under the circumstances AXA should now carry out the relevant repairs to the doors and put the damage to the room right. Given the lack of response, I'm going to require AXA to start the repairs within 28 days of the date of this decision. For clarity this means begin work, not simply instruct a company to scope the work. Of course if that doesn't suit Miss B and Mr R they can agree a different timescale with AXA.

I'm also aware that the relationship between Miss B, Mr R and the builder has broken down, although that isn't part of this complaint. In these circumstances it may be appropriate for AXA to allow Miss B and Mr R to appoint their own contractor to scope and carry out the work. Provided the repair work is relevant and the scope is agreed, AXA should then meet the cost in full (including any additional work required if discovered after work starts). Normally when a cash settlement is offered an insurer is allowed to pay what it would have paid to get the work done, which is often substantially less than a retail customer would pay. I don't think that's appropriate here given the delays and lack of engagement from AXA.

Miss B and Mr R can choose whether to accept a cash settlement and pay their own contractor or get AXA to do the work. If they choose the first option, then AXA must also meet the cost of VAT if Miss B and Mr R provide some evidence that this has been paid.

For the sake of getting this issue resolved, I haven't increased the compensation amount AXA paid - £100. But I'd encourage AXA to reconsider whether this is appropriate given the length of time this issue has been outstanding and the distress and inconvenience Miss B and Mr R have suffered, both in taking time to constantly chase AXA without much progress and living in a gradually deteriorating home.

My final decision

My decision is that I uphold this complaint, and require AXA Insurance UK Plc to put things right as described above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B and Mr R to accept or reject my decision before 19 August 2024.

Susan Peters
Ombudsman