

The complaint

Mr and Mrs T complain that AXA Insurance UK Plc has failed to progress a claim under their home insurance policy.

Where I refer to AXA, this includes the actions of its agents and claims handlers for which it takes responsibility.

What happened

The detailed background to this complaint is well known to both parties, so I'll only summarise the key events here.

In 2018, Mr and Mrs T made a claim under their home insurance policy for subsidence. AXA accepted the claim and appointed a loss adjuster. Drain repairs and vegetation removal took place to resolve the underlying problem. And repairs to the property were then undertaken.

Mr and Mrs T raised concerns about the building repairs, in particular cracking to the render. They made a complaint which AXA upheld in November 2020 and compensation was paid.

AXA arranged for the repairs to be completed to an appropriate standard. But Mr and Mrs T reported further cracking to the render, as well as a damp problem that had arisen since the render repairs.

By June 2022, a different loss adjuster was appointed who said the wrong type of mortar had been used which had caused the damp problems. They recommended removing the render and mortar and carrying out the work again with the appropriate materials. AXA agreed to this, and work began in late 2022.

Mr and Mrs T complained about the time it had taken to reach that stage. AXA accepted there'd been long delays and poor communication since its previous complaint response. It said that going forwards, it would call with an update every fortnight. It paid £5,000 compensation and £1,500 for the garage render as a gesture of goodwill.

Mr and Mrs T remained unhappy, so they brought their complaint to our Service. An Ombudsman here was satisfied AXA's offer of compensation was fair, but he acknowledged there'd been significant problems and delays with the claim and that AXA had failed to put things right for several years.

Since that time, Mr and Mrs T tell us their claim hasn't progressed and AXA has failed to provide the fortnightly update call on several occasions. There's been further problems with the render and repairs need to be redone. And there have been behavioural problems with the contractors including a knife fight.

A further complaint was raised, which AXA again upheld. It paid £800 compensation. But Mr and Mrs T didn't think this was a fair reflection of the impact they'd experienced so they contacted our Service.

Our Investigator was satisfied AXA had done enough to resolve things, but as Mr and Mrs T didn't agree, the complaint has been passed to me to decide.

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'd like to reassure Mr and Mrs T that whilst I may have condensed what they've told us in far less detail and in my own words, I've read and considered all their submissions. I'm satisfied I've captured the essence of the complaint and I don't need to comment on every point individually, or possibly in the level of detail they'd like, in order to reach my decision. This isn't meant as a discourtesy, but simply reflects the informal nature of our service.

For clarity, I'm only considering AXA's actions between October 2022 and June 2023. I'm aware Mr and Mrs T have a separate complaint with our Service regarding what's happened since June 2023. I won't be addressing that complaint here.

I've let both parties know my provisional thoughts on this complaint, which is that the £800 compensation AXA has paid is low considering the impact Mr and Mrs T have experienced. I'll explain why.

Mr and Mrs T's claim has been ongoing since 2018. As explained above, they've raised multiple complaints which AXA has upheld and paid compensation for delays, poor service, and poor quality of repairs.

But despite that, the situation doesn't appear to have improved – certainly not in the period of time I'm reviewing. Mr and Mrs T have experienced a further eight months of inadequate service, unprofessional conduct, and their property still hasn't been repaired to a satisfactory standard. This is unacceptable.

When reviewing Mr and Mrs T's last complaint, our Ombudsman said

"It's always disappointing to see things go wrong. But it's even more disappointing when things go wrong, the party at fault recognises that – but several years later, it still hasn't put things right. That's what happened here, and I expect that's caused a great deal of upset for Mr and Mrs T."

This remains the case for the period of October 2022 and June 2023. Despite the distress and inconvenience AXA has caused Mr and Mrs T and the apologies and compensation it's given them; it continues to subject them to further harm.

It's for this reason that I'm increasing the compensation to £1,500.

I appreciate Mr and Mrs T remain of the opinion that this isn't enough to put things right. They've told me that there's been no activity at their premises for approximately 15 months now. And they still have rooms in their property which they can't use and a long list of outstanding works to do.

Whilst they have my genuine sympathy for their situation, their comments relate to a period of time which is outside the scope of this complaint. I'm aware that no amount of compensation will make up for the impact AXA's actions have had on them over the years. But I remain satisfied that £1,500 compensation is fair for the eight-month period I'm looking into.

My final decision

For the reasons I've explained, I uphold this complaint and direct AXA Insurance UK Plc to pay Mr and Mrs T additional compensation of £700, bringing the total to £1,500 for this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T and Mrs T to accept or reject my decision before 7 November 2024.

Sheryl Sibley
Ombudsman