

The complaint

Mr S complains about AXA Insurance UK Plc (“AXA”) and the service provided to him, including the way his claim has been settled, after he made a claim on his home insurance policy.

What happened

The claim and complaint circumstances are well known to both parties. So, I don’t intend to list them chronologically in detail. But to summarise, Mr S held a home insurance policy, underwritten by AXA, when he discovered water damage in his property. So, he contacted AXA to make a claim.

But Mr S was unhappy with the service AXA provided during the claim process. And in his most recent complaint that our service is able to consider, Mr S complained about the communication provided to him by the independent surveyor, who I’ll refer to as “B”, as well as the cash settlement paid to him compared to the quotes he obtained to repair the damage in his home.

AXA responded to Mr S’ complaint and upheld it in part. They accepted the communication with Mr S could’ve been improved, for the period they were considering as part of that complaint. So, they paid Mr S a total of £125 compensation to recognise this. But they thought the cash settlement paid to Mr S was a fair one, based on B’s report and expert opinion, without the availability of another independent report obtained by Mr S. Mr S remained unhappy with this response, so he referred his complaint to us.

Our investigator looked into the complaint and over the course of two views, didn’t uphold it. They set out why our service could only consider the issues raised in AXA’s most recent complaint response. And having thought about these, they thought AXA had acted fairly when relying on B’s report and expert opinion. So, as they also felt the £125 compensation was a fair payment to address the service issues considered within that complaint response, they didn’t think AXA needed to do anything more. They then explained that should Mr S obtain an independent report himself, which he explained he intended to do, then this should be presented to AXA for them to consider first, before our service can consider under a new complaint reference.

Mr S agreed that he should obtain his own independent report. But he wished for this to be considered under this complaint reference and he asked for time extensions to allow this to happen. Our investigator again reiterated any new report would need to be sent to AXA first but as Mr S didn’t accept our investigators view overall, 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’m not upholding the complaint for broadly the same reasons as the

investigator. I've focused my comments on what I think is relevant. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

Before I explain why I've reached this decision, I think it would be useful for me to set out what I've been able to consider, and how. I note Mr S raised several complaints to AXA over the lifetime of the claim, with AXA providing several complaint responses. Within these responses, I can see AXA provided the correct referral rights to our service, and the time Mr S had to refer to our service should he remain unhappy. In this situation, only Mr S' most recent complaint, addressed by AXA in June 2023, was referred to our service within the time limits set. Our investigator explained why this meant we could only consider the issues addressed within this most recent response and I note Mr S, in an email to our service, explained he didn't intend to dispute our services position regarding this. So, this decision will only address the issues addressed in AXA's complaint response issued in June 2023.

And when reaching my decision, I want to make it clear that it isn't my role, nor the role of our service, to re-underwrite the claim, as we don't have the expertise to do so. Because of this, I won't be speculating on what damage I think should be included in the scope of works. Instead, it is my role to decide whether the actions AXA have taken are fair and reasonable, considering the information available to them.

I note AXA have accepted the communication with Mr S between March 2023 and June 2023 could've been improved. And they paid Mr S £125 to recognise this. So, I don't think the merits of this issue remain in dispute and I haven't considered this further. Instead, I've considered the payment AXA made to decide whether I think it's a reasonable one. And I think it is.

I think it is significant enough to fairly recognise the inconvenience Mr S would've felt when trying to communicate with B and being left feeling confused and unheard. But I think it also fairly considers the fact that the failure in communication was over a fairly short period of time, considering I'm only able to think about the period from March 2023, AXA's previous complaint response, to June 2023, their most recent response I can consider. So, I don't think they need to do anything more here.

I've then turned to what I think is the crux of Mr S' complaint and the foundation of his ongoing concerns, centring around AXA's settlement payment and the scope of works this was calculated on.

As I've already explained, I don't intend to re-underwrite the claim. In this situation, I can see AXA instructed B, and independent surveyor, to compile a report and scope of works. As B are the expert here, in line with our service's approach, we deem it fair for a business such as AXA to rely on B's opinion and to settle the claim in line with their recommendations. This includes B's opinion on the scope of works, and what should be covered by the policy.

And from what I've seen, I think AXA have done this as I'd expect. But we would also expect AXA to act fairly and proactively to address a customer's concerns about the scope, which includes appropriately considering any additional evidence a customer wants to be considered.

And in this situation, I'm satisfied AXA have taken Mr S' challenges about the scope, and what should be considered, into consideration and acted as I'd expect.

I can see they afforded Mr S the opportunity to provide quotes for the repair work he was looking to arrange. And I can see AXA have ensured B have had sight of these to consider, before proceeding based on B's opinion. And this is all I'd expect them to do.

In this situation, as already explained to Mr S, the quotes he's provided contain repair work for damage B doesn't feel are related to the insured event of a one-off escape of water. And as the quotes he provided are by contractors looking to profit from this work, these can't be seen to be independent.

Moving forwards, should Mr S wish to dispute B's opinion regarding what repair work should and shouldn't be covered, he would need to provide an alternative independent report, from an independent expert, that supports his position and challenges B's. I note AXA have explained they are willing to consider a report such as this, if Mr S is able to provide one, and this is all I'd expect them to do.

So, because of the above, I don't think I'm able to say AXA have acted unfairly when settling the claim as they have done, based on the information available to them up to the point of their complaint response in June 2023. So, I don't think they need to do anything more on this occasion.

I appreciate Mr S has already expressed his intention to obtain an independent report to challenge B's opinion. Mr S will need to present this report to AXA for them to consider before our service is able to consider separately.

My final decision

For the reasons outlined above, I don't uphold Mr S' complaint about AXA Insurance UK Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 9 December 2024.

Josh Haskey
Ombudsman