

## **The complaint**

Mrs T has complained about her motor home insurer AXA Insurance UK Plc. Mrs T is unhappy with AXA having caused damage to her motor home when it was meant to be repairing it. She thinks AXA took too long to resolve the claim and that her motor home depreciated in value as a result.

## **What happened**

Mrs T's motor home was damaged during an incident in September 2022. AXA was notified of the incident, but it was January 2023 when Mrs T progressed a claim under the policy with it. The claim did not progress as Mrs T would have liked. By August 2024, whilst Mrs T had the home back in her possession, repairs were still required.

On 2 August 2024 AXA issued its fifth final response letter (FRL) to Mrs T. This to respond to her then most recent complaint to it. Across the five complaint responses, AXA accepted it had made various failings. It acknowledged damage had been caused to the motor home as a result of its failings and indicated repairs had been done or were being authorised to resolve those issues. AXA said it would pay £1,400 to acknowledge that the vehicle had likely depreciated in value because of its actions. Across the five FRLs, AXA paid a total of £1,900 compensation to Mrs T for upset she'd suffered due to its failings.

Mrs T remained unhappy with AXA. She felt the value of the vehicle had suffered much more than AXA had accounted for. She was also unhappy because her situation had changed in the period AXA had tried, failed and tried again to fully repair her motor home – such that she would not now be able to use it as she'd intended. Mrs T felt AXA's offers of compensation had been insufficient and were impersonal, in fact callous given what it had put her through.

Our Investigator considered everything that had happened and what AXA had offered to put things right. She felt its offers had been fair and reasonable in the circumstances.

Mrs T didn't agree with our Investigator's findings. Mrs T said the cost of repairs had increased from around £2,000 to at least £8,000 due to AXA's failures and she suspected, if she put the home up for sale again now, she'd likely have to advertise it for around £9,000 less than she had in 2023. Mrs T said it had been very upsetting to learn AXA had not respected her motor home which had been her pride and joy. She said there are still some interior repairs required – but she is too exhausted to chase AXA for assistance and feels the need to just sell the vehicle.

## **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.

The parties will likely note that my background above is brief and light on much detail about what went on. I won't include much detail in that respect in my findings either. I trust the parties won't take this as any discourtesy, and I can assure both I've read and understood

everything provided. I fully accept that AXA failed Mrs T and that action and/or payment was needed to put that right. But ours is an informal Service and we make decisions based on what is fair and reasonable in all of the circumstances. So I don't need to set out everything which went wrong in order to determine what is need to make that right.

AXA has accepted that poor repairs were carried out. At the point of its fifth FRL it was still considering some repairs. I understand these were later agreed. I think AXA acted fairly and reasonably to agree additional repairs to rectify problems which had arisen. I know Mrs T says there are still further issues which she now does not want to pursue with AXA. I can't blame AXA for not resolving them where Mrs T has not asked it to do so.

I understand that AXA agreed to review detail about some costs Mrs T had reported to it as having incurred. I think it was fair of AXA to agree to review those costs. If Mrs T wants AXA to do that, she will need to send it the details.

In 2023 Mrs T was looking to sell the motor home. I can see that she had some interest from prospective buyers but ultimately had to tell then the home was going back to the garage for further repairs (all associated with the repair problems with AXA). At the time the motor home was advertised for sale by Mrs T at £32,000. She thinks she'll now only be able to advertise it for around £23,000. But the motor home had not been professionally valued by Mrs T in 2023 or recently. And whilst I can see there were some interested prospective purchasers in 2023, it's by no means clear, even if the home had not needed further repair, that Mrs T would have been successful in selling the motor home at that price.

AXA, whilst considering Mrs T's complaint, noted that its actions had prevented her use of the motor home and it accepted it had likely depreciated in value during that time. It asked an engineer to consider what that depreciation would likely be valued at. The engineer felt £1,400 was likely a fair assessment of depreciation. The engineer did not provide much detail – but I note he emphasized that vehicles like this don't appear in market value guides, like cars and some vans do. Meaning valuation of motor homes is somewhat subjective. I also bear in mind that whilst there may be a difference now from what Mrs T might have achieved in 2023 – AXA's fifth and final FRL was dated 2 August 2024. With the FRL putting forward the offer for the depreciation having been issued in April 2024.

In respect of the depreciation of the vehicle, I think AXA has acted fairly and reasonably. AXA asked a professional for a value and it offered and paid this sum even without feeling the need to see that Mrs T would most likely have sold her vehicle in 2023, or even in 2024, at a value less than it was otherwise worth because of its errors. I'm satisfied AXA's payment of £1,400 was fair and reasonable.

I can see that what should have been a simple repair became something much more complicated. AXA accepts errors were made and that too much time was taken – time taken from Mrs T being able to use the motor home. I accept it was distressing for Mrs T to not be able to use the motor home in the way that had been planned. The on-going failures and repairs by AXA lasted for about twenty months. There were communication issues as well as problems with repairs. And as I've said, Mrs T was unable to use the motor home as planned during this time.

AXA's total compensation paid across its five FRLs was £1,900. Our award guidelines say that an award of £750 to £1,500 is fair and reasonable where there's been serious disruption to daily life over a sustained period, with the impact felt over many months, sometimes over a year. I bear in mind that whilst Mrs T was unable to use the motor home as planned – for long tours in Europe – she would not have been using the home every day during the 20 months or so relevant to this claim and complaint. I know Mrs T felt insulted by the compensation offers AXA made – but looking at the sums and the total paid, and particularly

bearing in mind the depreciation payment also, I think it was trying to be sympathetic to the situation and making a genuine attempt to put matters right. I'm satisfied that it would not be fair or reasonable to make AXA pay anything more.

### **My final decision**

I find that AXA Insurance UK Plc failed Mrs T in its handling of her claim. But, for the reasons set out above, I'm not making any award against it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 17 March 2025.

Fiona Robinson  
**Ombudsman**