

## **The complaint**

Miss A complains about AXA Insurance UK Plc (“AXA”) and the service she’s received following the claim she made on her 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, Miss A held a home insurance policy, underwritten by AXA, when she became aware of a leak underneath her home. So, she contacted them to make a claim.

AXA arranged for trace and access works to be undertaken to identify the source of the leak. And after some difficulty, this access work was completed, with AXA making Miss A aware she would need to arrange the repair of the leak herself. But Miss A was unhappy with the service she received during the process, so she raised several complaints at different points during the claim journey.

These complaints included, and are not limited to, the delays Miss A experience during the claim journey. Miss A was also unhappy about the costs AXA stated they wouldn’t cover under the policy and what Miss A felt was a significant delay in reimbursing her for alternative accommodation costs she incurred.

AXA issued three final responses to Miss A’s complaint. The first of these was issued in October 2023. But Miss A didn’t refer her complaints to our service until May 2024, more than six months after this response. AXA issued further responses in February and June 2024, accepting there had been delays during the claim process, offering a total of £200 compensation across these two responses to recognise the impact this caused. Miss A remained unhappy with this response, so she referred her complaint to us.

Our investigator looked into the complaint and upheld it in part. They explained any issues addressed in AXA’s complaint response issued in October 2023 fell outside of our services jurisdiction to consider, as they had not been referred to us within the six-month time limit allowed. So, they explained our service couldn’t consider Miss A’s complaint regarding AXA’s contribution to the additional excavation and repair costs. And they explained they could only consider the events that occurred from 27 October 2023 to AXA’s most recent complaint response issued on 10 June 2024.

Having done so, they accepted there had been delays during the claim process, albeit they felt some of these delays were caused by delays in Miss A arranging for the actual leak repair. And they thought AXA had failed to consider Miss A’s request for disturbance allowance in a reasonable time frame. Having considered the above, they recommended AXA increase their offer of compensation from £200 to £350. But they also explained why they felt it was fair for AXA to validate Miss A’s alternative accommodation costs and decide whether they would look to cover these, as they hadn’t seen evidence to show Miss A made AXA aware she was in alternative accommodation until April 2024, five months after she entered into a tenancy agreement. So, they didn’t think AXA needed to offer anything more for this point. Nor did they think it was unfair for AXA to limit the amount they offered to

contribute to Miss A's increased water bills to £2,000, in line with the policy terms.

AXA accepted this recommendation. But Miss A didn't. She felt she was prevented from arranging the repair to the leak due to issues with the initial trace and access. And she maintained she did make AXA aware she was in alternative accommodation. Our investigator requested and listened to call recordings following this pushback, but they explained these recordings didn't show Miss A to have made AXA aware of the alternative accommodation. So, their opinion remained unchanged. Miss A continued to disagree and 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'm 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 my decision, I think it's important for me to set out exactly what I've been able to consider. I note AXA issued a final response to part of Miss A's complaint on 27 October 2023. Within this, they addressed Miss A's concerns about their decision not to cover the full costs of the repair to the leak, delays up to that point and their decision to decline the repair to her boiler. Within this response, they explained Miss A had six months to refer this complaint to our service. Miss A didn't contact our service until May 2024, more than six months after the response was issued. So, in line with the rules set by the industry regulator, these complaints fall outside of our services jurisdiction and so, I won't be commenting on them further within this decision.

But for completeness, I've seen the policy terms and conditions which explain that, under the trace and access section of the policy, AXA could pay up to £250 for any repair identified through this trace and access. And this is what they have done. So, I'm satisfied this payment was reasonable and in line with the policy terms.

I also note that AXA provided two further final responses in February and June 2024, both of which were referred to our service in time. But I note the claim remains ongoing and continued past June 2024 and I've no doubt Miss A may have further concerns about her claim after this point. But for our service to consider a complaint, the issues must be raised with a business first. So, for clarity, this decision focuses solely on the events that occurred between 27 October 2023 and 10 June 2024, that were complained about and addressed in the two later complaint responses, that weren't already covered in the October 2023 response.

And when considering the issues that fall within our services remit, I note AXA have already accepted there were delays during this time period that they were responsible for. And they also accepted our investigators recommendation to increase the compensation they should pay for this. So, I don't think this complaint is in dispute and because of this, I won't be discussing its merits in any further detail. Instead, I will return to it when I discuss what I think AXA should do to put things right.

I've then focused on what does remain in dispute, which is Miss A's unhappiness about AXA's failure to cover the alternative accommodation costs she incurred at the point their complaint responses were issued.

I recognise Miss A feels strongly that she made AXA aware she was in alternative accommodation shortly after she entered into a tenancy agreement. But crucially, I've seen no evidence to show this is the case, despite seeing AXA's system notes and listening to the call recordings they have been able to provide. In calls with AXA, in January 2024, I've heard a conversation where Miss A discusses disturbance allowance, making it clear she felt there was a lack of adequate heating to the downstairs of her property. But at no point did Miss A declare she was in alternative accommodation and the conversation was left with AXA agreeing to consider a disturbance allowance payment.

While I do think AXA failed to act on this proactively, and I will discuss this later within my decision before they validated a disturbance allowance payment Miss A then declared she had been in alternative accommodation in April 2024. So, AXA then turned to validating the alternative accommodation costs Miss A incurred, considering she amassed these costs without AXA's prior authorisation.

I don't think this was an unreasonable step for AXA to take, as I would expect any insurer to validate any claim made by a customer, in line with standard industry approach. And due to the length of time Miss A had been in alternative accommodation, and the value this created on the claim, I think it's reasonable to assume this would take some time for AXA to validate. At the point AXA issued their last complaint response, in June 2024, AXA were still assessing this aspect of the claim. So, I'm unable to comment on, or direct AXA to pay, these costs within this decision. If AXA have since made a decision relating to this aspect of the claim, and Miss A remains unhappy, she should raise this as a new complaint with AXA directly.

I've then turned to what I think AXA should do to put things right, to recognise the delays they have already accepted they are responsible for.

### **Putting things right**

Any award or direction I make is intended to place Miss A back in the position she would've been in, had AXA acted fairly in the first place.

In this situation, had AXA acted fairly, I think it's reasonable to assume they would've been more proactive in progressing the claim. And considering a second attendance was needed to ensure adequate trace and access was completed, I do think it's reasonable for me to assume some of the delays Miss A encountered up to the point she organised a repair to the leak could've been avoided.

But I must also take into consideration that, while I do think Miss A was engaged with AXA for the majority of the claim, I think AXA made it reasonably clear in late 2023 that Miss A was responsible for arranging the repair to the leak itself. And from the evidence I've seen, I think there were some delays during the claim process after this time that resulted from a failure to arrange this repair in a timely manner. Had this happened, I think the need for additional trace and access could've been identified sooner.

Because of this, I'm unable to say AXA were solely responsible for all of the delays Miss A experienced. So, I've had to consider this when deciding what I think AXA should do to put things right. And as I can't say they were solely responsible for all of the delays, and that all the delays were avoidable, I'm unable to say AXA should offer to cover more than the £2,000 already offered for Miss A's increased water bills, which I note is already at the policy limit maximum set out within the terms and conditions.

Considering the above, and AXA's failure to consider Miss A's claim for disturbance allowance in a reasonable time frame before the alternative accommodation came to light,

our investigator recommended AXA increase the compensation offered to Miss A from £200, to £350 in total. And they explained this is separate to the previous £300 offered in the October 2023 final response.

Having considered this recommendation, I think it is a fair one, that falls in line with our services approach and what I would've directed, had it not already been put forward. I think it fairly takes into consideration the errors and delays AXA are responsible for, between October 2023 and June 2024, and the impact this had on Miss A.

I don't doubt it would've been inconvenient and frustrating for Miss A knowing a leak was ongoing at her property during this time, and I think the £350 reflects this. But I think it also fairly takes into consideration the responsibility Miss A had to arrange for the repair to be completed herself. And, that Miss A has since confirmed she was in alternative accommodation during this time and so, the suffering to her and her family day to day was limited due to this. So, this is a payment I'm now directing AXA to pay.

I'd like to reiterate again that this decision has only considered the events up to 10 June 2024. I am aware the claim has continued, and it has progressed onto the consideration of the reinstatement work needed at Miss A's home. Any issues Miss A has experience after this date can be raised as a new complaint and considered by our service separately, once AXA have had a chance to consider them within their own complaint process and the relevant time limits.

### **My final decision**

For the reasons outlined above, I uphold Miss A's complaint and I direct them to take the following action:

- Pay Miss A the necessary amount to ensure she receives a total of £350 compensation to address the complaints outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 10 March 2025.

Josh Haskey  
**Ombudsman**