

The complaint

Mr T and Mrs T complain about AXA Insurance UK Plc's handling of their subsidence claim, specifically on-going delays, poor service, and a failure to carry out effective repairs to their property.

What happened

The background to this complaint is well known to both parties, so I'll provide only a brief summary here.

I'll refer below mainly to Mr T, rather than Mr T and Mrs T. That's for the sake of brevity and clarity and reflects the fact that most of our communication about this complaint has been with Mr T.

Mr T and Mrs T have home insurance underwritten by AXA. They made a claim in 2018 after noticing cracking in the walls of their property.

AXA appointed a loss adjuster, agreed that the damage was caused by subsidence and accepted the claim.

In short, there were problems with the repairs AXA's agents carried out. Mr T made complaints to AXA. They responded in November 2020, admitted failings in the service provided, and paid compensation.

The issues with the repairs were on-going. In June 2022, AXA appointed a different loss adjuster. They said the damp issues now being experienced in the property were due to defects in the render repair work carried out previously. A new schedule of works was agreed by AXA.

Mr T made a further complaint to AXA about the time it had taken to reach this stage. They again admitted long delays and poor communication - and they paid Mr T a total of £6,500 in compensation (£1,500 of which they described as a gesture of good will).

Mr T wasn't happy with that response and brought his complaint to us. We issued a final decision on that complaint in January 2024. We recognised the problems Mr T and Mrs T had faced due to AXA's - or their agents' - errors.

But we said the compensation paid by AXA, to cover the trouble and upset Mr T and Mrs T had experienced between November 2020 (when AXA had responded to the previous complaints) and October 2022 (when they responded to the most recent complaint) was fair and reasonable.

In brief, the issues with the repair works continued after that point. Mr T again complained to AXA. They responded in June 2023, offering a further £800 in compensation. Mr T again brought this complaint to us.

We agreed with Mr T that the £800 compensation offered by AXA, to cover October 2022 (when AXA responded to the previous complaint) to June 2023 (their response to this new

complaint) was insufficient. So, in our final decision (issued in October 2024) we upheld the complaint and required AXA to pay £1,500 in compensation.

Mr T brought a further complaint to us in February 2024, about further delays and issues with the repair work. He said his health had been affected by the on-going claim.

AXA responded to that complaint on 24 February 2024, at around the same time Mr T brought the complaint to us. They paid Mr T £1,000 in compensation for the on-going issues with the claim – plus a further £100 to reflect the fact that their response to the complaint was outside the permitted eight-week time limit.

Mr T wasn't happy with AXA's response and brought his complaint to us. He said workmen hadn't turned up on occasion after making appointments to carry out repairs. He said his garden wasn't usable due to tools and rubble being placed in it – and AXA should pay for maintenance of the garden. And he said there had been further delays and lack of progress - and the stress had affected his health.

Our investigator looked into it and again recognised the delays and poor service AXA provided to Mr T and Mrs T. But he said the £1,100 in total offered by AXA was fair and reasonable compensation to cover the time between AXA's response to the previous complaint (in June 2023) and their response to this complaint (on 24 February 2024).

Mr T and Mrs T disagreed and asked for a final decision from an ombudsman.

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.

This decision will cover the time period between June 2023 (when AXA responded to Mr T's previous complaint) and February 2024 (when AXA responded to this complaint).

If Mr T and Mrs T have any further issues with the way AXA have handled the claim after February 2024, they will need to make a further complaint to AXA – and then bring that to us if they aren't satisfied with AXA's response.

I'll set out below what's happened, as I understand it, in the period I'm considering (June 2023 to February 2024).

It appears that, by August 2023, AXA's agents and contractors were convinced that the repairs were almost complete, but for one or two snagging issues. Mr T, however, had noticed some issues at the property which appeared not to have been resolved. In particular, some cracking was re-appearing and there appeared to be areas of damp.

AXA carried out some investigations into the damp in September 2023. Their contractor at this point suggested there might be on-going movement at the property. So, AXA decided to commission an expert structural engineer's report, to determine whether movement was in fact on-going – and what the causes of the cracking and damp were.

Mr T had by then appointed a loss assessor to deal with the claim on his behalf. In October 2023, AXA's agents agreed with the loss assessor which expert should be commissioned. The expert delivered his report in November 2023.

In summary, the expert concluded that the damage at the property was only partly caused by subsidence. The damp issues were likely not caused by subsidence. And damage remote

from the ground floor extensions to the property was likely not subsidence related.

So, some of the damage wasn't caused by subsidence or by any other insured peril – and should not have been accepted by AXA in 2018 as part of the claim. However, it was recognised that AXA had embarked on repairs and so had an obligation to see them through.

The report also noted that AXA's contractors had damaged roof tiles when setting up scaffolding – which had caused water ingress. And it identified a number of other minor repairs for which AXA were responsible.

It also noted that new plaster and render should be allowed to dry properly before redecoration work was undertaken. That hadn't happened to date and so, some of the re-decoration work was failing.

The report was sent to Mr T's loss assessor in December 2023 and AXA asked them to draft a schedule of works, based on the expert's findings, with a view to agreeing a cash settlement for those remaining works.

In January 2024, the loss assessor told AXA that Mr T didn't want a cash settlement but wanted them to complete the repairs. And they proposed that a chartered surveyor / engineer should be appointed to put together a schedule of works.

That was agreed by AXA - and instructions were sent to the engineer / surveyor in February 2024.

That brings us up to the end of the period I'm considering in this decision.

In summary, between June 2023 and February 2024, AXA realised that the *second* attempt to address the issues at the property had failed. The contractors had in fact caused more damage at the property. And AXA (or their agents) had failed from the outset to properly identify the causes of the damage (which is why the two repair schemes so far had been unsuccessful).

In essence, Mr T and Mrs T were, in February 2024 (around six years after first making the claim), now back to square one. Albeit AXA had seemingly now properly identified the causes of the damage and had commissioned an expert to deliver a new schedule of works.

AXA don't need me to tell them how much it's cost *them* to attempt these fairly extensive repairs – twice over a six-year period – and then have to start again for a third time, because they hadn't properly understood the causes of the problem in the first place.

In any case, AXA aren't my concern, in making this decision – I'm focussed on the impact on Mr T and Mrs T of any errors, omissions or failings on AXA's (or their agents') part in the period I'm looking at (June 2023 to February 2024).

Throughout that period, Mr T and Mrs T haven't had the full use of their home (and they would have had that if AXA had diagnosed the problems correctly before November 2023).

They've also had the stress and anxiety caused by not having any real answers as to why the repairs were failing, what was in fact happening to their property and whether or not it could or would be fixed any time soon.

Those anxieties have likely lessened towards the end of the period, as the new expert report identified the reasons for the on-going issues and set out a broad plan for how those might be tackled.

It seems fair to say then that AXA caused further unnecessary and avoidable delay at the start of the period I'm considering. I bear in mind that through to September, they were still insisting that the repair works were largely completed and simply needed snagging. I believe they told Mr T at one point that everything would be resolved within at most a month.

After September, when the expert review was commissioned, it seems to me that AXA (or their agents) have worked together with Mr T's loss assessor to agree the way forward. And they've done that in a reasonably timely manner.

In effect, then, I'm looking here at a period of around three months or so of further avoidable delays and lack of progress (because of a misdiagnosis of the problem) and then four or five months where the diagnosis has been corrected and proper progress has been made towards a lasting and effective schedule of repair works.

I absolutely understand Mr T's frustration about the further false start in the resolution of the claim - and about the time it's taken overall to get to where we are now. And I can understand why he might say that all of this would have been avoided if AXA had commissioned an appropriate expert to carry out an inspection back in 2018.

However, I am only looking at that limited period (June 2023 to February 2024), for the reasons I've explained above. Mr T and Mrs T have already been compensated (to the tune of more than £8,000) for the periods before June 2023.

And bearing that in mind, I agree with our investigator that the £1,100 AXA have already paid Mr T and Mrs T is fair and reasonable compensation for the trouble and upset they've experienced in that relevant timeframe (June 2023 to February 2024).

I'm aware Mr T says he had to have a doctor visit due to the stress of dealing with the claim. I'm sure he'll understand that it would be difficult for me to conclude that visit was necessary solely because of AXA's errors or omissions during the specific period I'm considering in this decision.

I know Mr T complained to AXA about workmen not turning up on occasion. I've taken that into account when deciding whether I think the compensation AXA paid is fair.

I'm also aware Mr T has suggested that AXA ought to pay for the maintenance of his garden. I can't see any reason to suggest that would be covered under the terms of the policy or that AXA would be obliged to cover it for any other reason.

As I've said, if Mr T and Mrs T aren't happy with what's happened since February 2024, when AXA and the loss assessor agreed to commission a further schedule of works, then they'd be entitled to make a further complaint to AXA. And if they aren't happy with AXA's response, they can bring that complaint to us.

My final decision

For the reasons set out above, I don't uphold Mr T and Mrs T's 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 21 March 2025.

Neil Marshall
Ombudsman