

## **The complaint**

Mrs M has complained about the handling of a claim under her buildings insurance policy by AXA Insurance UK Plc.

## **What happened**

The background to this complaint is well known to the parties so it serves no purpose for me to repeat it in detail here. In summary Mrs M made a water damage claim in October 2023.

It was necessary for Mrs M and her family to move into alternative accommodation. Her complaint points were that she had to select the accommodation based on cost, rather than location and delay in being reimbursed. She was also unhappy with the appointed contractors and that the works weren't progressing due to the contractor issues. Further issues have been raised but in this decision I'm dealing only with matters raised and responded to by way of three final responses, the last dated 18 July 2024.

AXA agreed that the service that Mrs M had received fell short of it she could expect from its agents. A total payment of £625 was offered in compensation. Mrs M remained unhappy and referred the matter here. Our investigator recommended that it be upheld. He felt that in view of all the issues Mrs M had experienced a further £375 in compensation was merited.

Mrs M accepted this in respect of the issues raised under this reference. AXA didn't feel that an additional £375 was warranted – it said that it had considered the impact to the consumer but felt that the total of £1000 was more than it would consider to be reasonable. However it did agree to increase the award to £850.

Our investigator put the offer to Mrs M – but she didn't wish to accept. She didn't feel that it reflected the stress and mental exhaustion her and her family had been caused.

As no agreement has been reached to matter has been passed to me to determine.

## **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.

AXA accepted the failings on behalf of its contractors had delayed the progression of the claim. It accepted too that Mrs M was keen for the works to progress as soon as was possible as being in alternative accommodation was not ideal for her family. I'm pleased to note that it recognises its failings and the impact these had on Mrs M. The issue therefore is whether or not the compensation already paid is sufficient.

Assessing compensation in cases like this is not an exact science. We look carefully at the impact on the particular consumer in order to assess fairness. In this case things didn't go smoothly from the start. First Mrs M believed the claim had been accepted only to discover it hadn't been. There were then issues with the appointed contractors causing delay. Then followed issues with payment for the alternative accommodation, which in itself she didn't

think was ideal.

Mrs M has said that the stress the claim caused her has impacted her mental health. I accept this is so. Up to the date of the July 2024 final response the matter had been ongoing for eight months. I am satisfied that AXA, via its contractors, could have done more to expedite matters and so lessening the inconvenience and stress cause to Mrs M and in turn her family. To add to this there was a delay in reimbursing Mrs M for the alternative accommodation, which exacerbated the situation that she was in.

I appreciate that AXA has tried to remedy the situation and has offered compensation, but for the reasons given I'm satisfied that it is fair and reasonable in the circumstances to increase the compensation from £625 to £1000. I understand that leaves £375 due to be paid.

### **My final decision**

My final decision is that I uphold this complaint. I require AXA Insurance UK Plc to pay Mrs M a total of £1000 in compensation. It may deduct any amounts already paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 28 March 2025.

Lindsey Woloski  
**Ombudsman**