

The complaint

Mr A complains about the service he received from AXA Insurance UK Plc (AXA) when he made a claim under his car insurance policy.

What happened

Mr A's car was damaged by a third-party and he made a claim to AXA. It arranged for the car to be inspected. The car was deemed repairable, so AXA approved the repairs and instructed a repairer. Mr A was given a courtesy car while the car was being repaired.

But shortly after Mr A's car was returned to him he noticed issues with it. In particular, a fault with the parking sensor, a front puddle light not working, scratches to the offside rear quarter and a puncture in one of the tyres which was causing the car to pull to one side. So, at the end of August 2024, AXA collected Mr A's car and arranged for it to be reinspected.

AXA returned the car to Mr A at the beginning of October 2024, just over a month after it collected it. It said the damage Mr A highlighted wasn't accident related, nor had it been caused by its repairer. So, it didn't complete the repairs.

Mr A complained to AXA. He said the damage was accident related and therefore something covered under the policy. He also said he'd been without the car for over a month and wasn't given a courtesy car during this time. He also said because of the delays in settling the claim, his premiums have increased.

AXA acknowledged the service it provided was poor. And it didn't offer Mr A a hire car like it should have done. So, it offered Mr A £250 in compensation for the trouble and upset caused. But it maintained the damage to Mr A's car wasn't accident related or the result of the repairer's actions. Mr A remained unhappy, so he asked this Service to consider the complaint.

Our Investigator didn't uphold the complaint. He said the damage to the car didn't appear to be accident or repairer related so he didn't think AXA needed to repair it. However, he noted that AXA had agreed to repair the tyre puncture and the parking sensor, which he felt was fair.

Our Investigator acknowledged Mr A's concerns about the increase in premium due to the claim remaining open at the point the policy renewed. But he said as AXA was still waiting to recover its claims outlay from the third-party, it wasn't unreasonable the claim remained open. But he said it was fair for AXA to recalculate the premium once the claim closed. The Investigator agreed Mr A was without his car longer than he should have been, which would have caused undue trouble and upset. But he said AXA's offer of £250 was fair.

Mr A rejected our Investigators findings, so the complaint has been referred to me for a final 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.

I'd like to reassure the parties that although I've only summarised the background to this complaint, so not everything that has happened or been argued is set out above, I've read and considered everything that has been provided.

I understand that since Mr A referred the complaint to this Service, he's raised other issues about AXA and further damage caused to his car. But I can't consider that here as I can only consider the concerns he raised with AXA and that it has responded to. Mr A is entitled to raise these concerns directly with AXA, and should Mr A's concerns remain unresolved, this would be subject to a new complaint.

So, I'll only consider here whether AXA was responsible for the damage he originally had concerns about and whether it was responsible for any avoidable delays in the claim.

Once Mr A's car was returned to him he noticed a puncture to the O/S/F tyre. He says this damage is accident related or was caused by AXA during its repairs. The images of the tyre show what appears to be a screw dislodged into it, which seems to be the cause of the puncture. The screwhead is worn and there's distortion on the tread. So, on balance it seems like it's been in place for some time and before AXA repaired the car. And given the tyre in question is in a different part of the car to where the accident-related damage occurred, it seems unlikely the puncture is the result of the accident. So, I don't think AXA caused the damage or it was something it needed to repair as part of the claim. But in any event, I can see AXA has agreed to repair the tyre, which, given the circumstances isn't unreasonable.

Mr A has also raised concerns around scratches to the O/S/R wheel arch, damage to a parking sensor and problems with the nearside puddle light. He thinks these should be covered by AXA. Whilst I appreciate Mr A's feelings on the matter, I'm not persuaded that's the case. Mr A's car sustained damage to N/S/R of the car and given the damage Mr A is complaining about are in other parts of the car, I find it unlikely these are accident related.

I've also seen images of the repair work completed by AXA. All of which appear to be around the N/S/R of the car. The scratches Mr A has mentioned along with the parking sensor appear to be in a different area to what AXA repaired. So, I find it unlikely this damage would have been caused during the repair process. And in any event, I've been presented with no compelling evidence to show it was AXA that caused this damage. As I don't agree the damage Mr A is claiming for was caused by the accident or the result of the repairs completed by AXA, I'm not asking it to cover these. But I can see AXA has agreed to repair the parking sensor as a gesture of good will. Given the circumstances, I don't think that's unreasonable.

As Mr A had concerns about the quality of the repairs, I think AXA acted reasonably when it agreed to reinspect the car. However, and as AXA agrees, I think it took longer than it should have for it to return the car back to him. Nor did it provide him with a courtesy car during this period, which I think it should have done. So, due to its actions, Mr A was without the use of a car.

Mr A has said during this time he relied on friends and family and the use of taxis to travel. Our normal position where someone has lost the use of their car, and no hire car has been provided when it should have been is to look at the additional travel costs incurred by the

policyholder during the relevant period. Mr A has provided taxi receipts during the period he was without a car, that total around £50.

The ongoing delays by AXA when inspecting the car undoubtedly had an impact on Mr A. I've not detailed everything here but I'm aware his health and wellbeing was affected by not having his car and not knowing when it would be returned. And I accept the way AXA dealt with things would have caused some additional upset over and above what I would expect to see in a normal claims process.

But having looked at everything that's happened here, I'm satisfied £250 fairly reflects the impact AXA's actions had over the month he was without a car as well as compensation for the loss of use. I consider this offer is in line with what I would direct in similar circumstances. So, I'm not directing AXA to do anything more in settlement of this complaint.

Mr A is unhappy that the claim remained open longer than it should have. And this affected his renewal premium price. From Mr A's initial notification of the incident, he explained his side of the story and informed AXA of a witness who noticed the incident. And AXA agreed he wasn't at fault. It then contacted the third-party (insurer) who accepted liability. But at the point the policy renewed, AXA hadn't received its outlay and the claim remained open.

I empathise with Mr A and the position he's found himself in, but I don't think it was wrong for AXA to keep the claim open during the renewal period and until it recovered its costs. Until that point the third-party may have disputed liability, and AXA may have changed its position on how the claim would be settled.

AXA has said that once the claim is closed as 'non-fault' it will look to recalculate the premium, which I think is the right thing to do. But if Mr A remains unhappy with the way the claim is settled, or indeed if it still remains open, he's entitled to raise these concerns directly with AXA, and if he remains unhappy, that would be subject to a new complaint.

My final decision

My final decision is I don't uphold this complaint. I think the £250 compensation AXA paid is fair and reasonable in the circumstances. I make no further award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 21 April 2025.

Adam Travers
Ombudsman