

The complaint

Miss D complains AXA Insurance UK Plc (AXA) didn't provide her with appropriate alternative accommodation after she made a claim under a home insurance policy.

What happened

The circumstances of this complaint will be well known to both parties and so I've summarised events. Miss D's property was covered under a buildings insurance policy provided by AXA. In July 2024 Miss D's property was damaged following a fire in a neighbouring property and so she reported a claim to AXA. She said her property wasn't habitable and so AXA arranged alternative accommodation.

Miss D raised a complaint with AXA about the way it had handled the alternative accommodation arrangements. She said the hotel she had been placed into wasn't appropriate, nor were the options AXA had suggested for alternative accommodation. She said she had provided AXA with links to suitable apartments, but it said it was unable to assist with this.

On 10 September 2024 AXA issued Miss D with a final response to her complaint. It said the properties Miss D had sent weren't something it could assist with, and instead it needed the details of the property owners and quotes for these properties. It said it had been communicating with all parties and reviewing the alternative accommodation to ensure it met Miss D's needs. Miss D didn't think this was reasonable and so referred her complaint to this Service.

Our investigator looked into things. She said she thought AXA were able to locate the details of the property owners and cost of the property using the links Miss D had sent, and so it should have contacted the property owners directly for the information it required. She said she thought AXA should have done more to accommodate her requirements for alternative accommodation and failing to do so caused her distress and inconvenience. She said AXA should pay Miss D £300 compensation.

AXA didn't agree with our investigator. It said it was unable to secure properties on Miss D's behalf using the links Miss D had provided, and there were no costs provided. It said it made Miss D aware of how she could secure a property suitable for her needs.

As AXA didn't agree with our investigator, the complaint has been passed to me to decide.

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 want to acknowledge I've summarised Miss D's complaint in less detail than she's presented it. I've not commented on every point she has raised. Instead, I've focussed on what I consider to be the key points I need to think about. I mean no discourtesy by this, but it simply reflects the informal nature of this Service. I assure Miss D and AXA I've read and

considered everything that's been provided.

I also want to be clear about what I've considered as part of this decision. I've considered the events which occurred up to AXA's final response of 10 September 2024 and which AXA have addressed within this final response. I'm aware Miss D has raised further issues, many of which occurred after this date, but this would need to be considered as a separate complaint.

The relevant rules and industry guidelines explain AXA should handle claims promptly and fairly. Miss D has said AXA didn't provide her with suitable alternative accommodation and its failure to do so has caused her considerable distress and inconvenience. So I've considered whether AXA have handled the alternative accommodation arrangements fairly.

AXA originally arranged for Miss D to be moved into a hotel on 29 July 2024. It then offered Miss D two apartments as longer-term accommodation, but Miss D said these weren't suitable for her as she wouldn't feel safe living in the areas these properties were located. I think AXA treated Miss D fairly by placing her into a hotel whilst it carried out its claim enquiries, and offering other options, even if Miss D didn't believe these were suitable.

Miss D sent AXA links to five properties which she said were more suitable for her requirements. AXA said it was unable to assist with these arrangements as it needed the details of the property owner, and there were no prices for the bookings. It suggested Miss D contact the property owners and get quotes.

I think AXA should have done more to support Miss D with her alternative accommodation arrangements at this stage and I'll explain why.

The loss adjustor has said they spoke to Miss D at the beginning of the claim and suggested a particular accommodation platform may be best to find alternative accommodation. The links Miss D provided showed the details of the property and the property owner. And if the dates of the booking were entered, a price of the booking would be shown. Three of the properties Miss D sent links for were using the booking platform the loss adjustor had specifically suggested and so I think AXA had enough familiarity with this platform to be able to access the information it required. And given the nature of the booking platform, I think its request for a pro-forma invoice from the property owner was an unrealistic one.

AXA have said it was unable to book accommodation on Miss D's behalf using the property booking platform. Whilst this may have been the case, I think it could have explored alternative options, such as making a payment to Miss D for alternative accommodation and allowing her to book the property herself. Particularly given I think all the information it required in relation to the price of the accommodation was readily available.

The loss adjustor has said the properties Miss D found were too expensive, and Miss D has said this is what she was told by the loss adjustor. However, I've not been provided with any persuasive evidence the properties Miss D found were too expensive compared to the properties AXA had offered, or the hotel Miss D was booked in during this period. Therefore, I'm not persuaded it was reasonable for AXA to reject the properties Miss D had suggested based on their price. I think it's worth noting if the loss adjustor was able to comment on the price of the properties Miss D had found, AXA also would have been able to obtain information about the price of the properties using the links Miss D provided it.

Had AXA provided the appropriate level of support to Miss D, I think it's more than likely Miss D would have been able to move to an apartment rather than remaining in a hotel. Therefore, I've considered the impact this has had on Miss D.

I think Miss D has been caused distress and inconvenience staying at hotels rather than at an apartment. The hotel rooms are less spacious and don't have the facilities of an apartment. She has also said she had to check out of the hotel room each week and move to another room, which would have been inconvenient. However, I have also taken into consideration that throughout this period AXA have provided Miss D with alternative accommodation, in a suitable location for Miss D. And so, whilst I acknowledge this accommodation was less convenient than an apartment would have been, Miss D didn't suffer the distress of not having anywhere to stay.

Given the nature of this claim, I think Miss D would have always suffered some distress and inconvenience even if everything had gone smoothly. Particularly given she was unable to stay at her home for a considerable period of time. However, I think the way AXA handled the alternative accommodation arrangements has exacerbated the distress and inconvenience caused to Miss D. Overall, I think the £300 compensation suggested by our investigator is reasonable to acknowledge the impact AXA's errors had on Miss D.

Miss D has said AXA failed to pay disturbance allowance for the period between 29 July 2024 and 8 August 2024. I can't see this has been raised as a complaint with AXA, nor was it addressed in AXA's final response of 10 September 2024, and so I've not considered it as part of this decision. However, AXA have now confirmed it will pay disturbance allowance for this period.

Miss D has also said AXA have failed to pay laundry costs she has incurred. I can see this has been raised as a separate complaint with AXA and has been responded to in a separate final response. Therefore, I won't be commenting on this as part of this decision.

My final decision

For the reasons I've outlined above, I uphold Miss D's complaint about AXA Insurance UK Plc. I require it to pay Miss D £300 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D to accept or reject my decision before 1 July 2025.

Andrew Clarke
Ombudsman