

## **The complaint**

Mrs M complains about how AXA Insurance UK Plc (“AXA”) dealt with a claim she made on her home insurance policy.

## **What happened**

Mrs M had a home insurance policy with AXA. In January 2022 Mrs M reported an escape of water.

Given the rather complex background to this complaint, I’m first of all going to try and clear up the issues about the scope of our investigation into this particular complaint and the territory covered by this decision.

Mrs M made a number of complaints about AXA’s handling of the claim. The issues she raised prior to AXA’s final response letter of 23 May 2023 were resolved by this service in October 2023. I think it’s clear from the final view issued that we’d considered very broadly the handling of the claim up to the date the claim was made to us – in June 2023.

We specified what AXA needed to do from that point on to settle the claim full and appropriately. And we awarded £2,500 in compensation for Mrs M’s trouble and upset.

That’s important because it sets the start date for the issues I can look at in this decision. I can’t go back and second guess the earlier outcome by awarding additional compensation to Mrs M for the period leading up to the first complaint being brought to us. So, any compensation I might award is for the period that starts in June 2023.

It’s also important to put an end date on that period. Mrs M made the complaint to us in March 2024. AXA didn’t issue a final response to that complaint but provided referral rights to this service. Mrs M complained to AXA again and a final response was issued in September 2024.

So, I can only consider events up to September 2024 in making this decision. Anything after that which Mrs M might want to complain about will have to be raised as a new and separate complaint. And AXA must be given a chance to resolve that complaint before it comes to us.

In summary, this decision – and any compensation it requires AXA to pay to Mrs M – will cover the period from June 2023 to September 2024 and within the scope of the investigator’s view.

Mrs M has raised a number of issues including;

- The main bathroom had no heating from July 2022 due to a previous contractor damaging the underfloor heating. In January 2024 Mrs M still had no underfloor heating.

- In October 2023 Mrs M asked for her claim to be cash settled since she'd been left with no kitchen or utility room. Mrs M says she had to take over managing the claim since AXA 'abandoned' her.
- From November 2023 to January 2024 Mrs M spent time arranging contractors, chasing AXA for interim payments, and arranging for her driveway to be repaired since AXA didn't proactively try to settle her claim.
- Mrs M says AXA should pay her £40,000 to cover the rectification of the poor workmanship.

Unhappy with the handling of her claim, Mrs M lodged a complaint with AXA. Although AXA did not respond to her grievance it accepted responsibility for some delays and poor service and offered her £900. Dissatisfied with this resolution, Mrs M didn't accept the offer and escalated her complaint to this service.

The investigator concluded that AXA was not required to take any further action regarding the complaint. He deemed AXA's offer of £900 to be fair and consistent with our guidelines, given the delays and inconvenience experienced by Mrs M. While acknowledging that some delays were avoidable, the investigator noted that these had been appropriately compensated. He also highlighted that many of the delays were unavoidable, arising from a dispute over the settlement of the claim.

Mrs M didn't agree and so the complaint came to me to decide.

### **My provisional decision**

In March 2025 I issued a provisional decision on this complaint, a copy of my findings is below;

*"I've explained my reasoning below, but before I do I want to acknowledge that I've summarised events in my own words and in far less detail than what's been provided to me. If I've not mentioned anything it's not because I haven't considered it – I've carefully reviewed the evidence submitted by both parties. Instead, I've focused on key elements of the timeline and what I consider to be the crux of the complaint – in line with our remit as a quick and informal alternative to the courts. No discourtesy is meant by that, nor is it my intention to minimise in any way what Mrs M has been through.*

*A claim of this nature, involving significant works across all major parts of the house, was bound to be both disruptive and stressful for Mrs M. Ultimately, the leak created the conditions that led to this claim. However, I must determine the additional impact caused by AXA, beyond what could reasonably be expected from its handling of the case.*

*I can see from the information provided that Mrs M spent significant time and energy in trying to engage with AXA to get her home back into the condition it was in prior to the escape of water. And I don't underestimate the stress this has had on her.*

#### **Living room**

*Following the leak in the living room AXA sent out a contractor to assess the extent of the damage. On the initial assessment it was clear the flooring was wet. Damp readings were high. Mrs M says the contractor was supposed to come out to do some further checks but didn't. So, she isn't willing to settle the living room costs until she understands the extent of the damage. I think that's fair. So far AXA have said it settled £325 for the decorator and materials, and £250 to fit the skirting along the wall. But there isn't anything to confirm the flooring is dry and Mrs M is, understandably, worried further issues may occur down the line.*

AXA's notes confirm, "No formal damp testing of the floor was undertaken after the event. It was understood that R\* or others/similar (appointed by property team) may attend. It seems this did not occur."

#### *\*Restoration contractor*

*It's clear a contractor was intending to go and assess the level of damage but it's unclear why this didn't happen. In any case I don't think it's unreasonable for AXA to attend and carry out the relevant damp testing – to ensure its level of settlement is appropriate. So, I intend to direct AXA to do this.*

#### *Underfloor heating warranty*

*The business has advised it can't issue the guarantee for the underfloor heating due to a non-insurance related issue. And have said if the consumer can provide evidence to show the electrics are not an issue or relevant to the underfloor heating then AXA would consider it further. But I don't agree. Mrs M has proved her claim under the terms of the insurance policy, and I'm not persuaded AXA has provided definitive independent evidence to show an issue with the electrics is impacting the provision of the warranty. Mrs M isn't asking AXA to provide her with a certificate or guarantee – she wants the contractor who fitted the flooring to complete the form in order for her to register her warranty.*

*I have reviewed the form provided by Mrs M and it requires the electrician to complete it for each system installed. The initial contractor didn't complete the form but should have. Another contractor attended subsequently to fit the remaining underfloor heating and completed the form. So, I'm not persuaded by what AXA have said here. I therefore intend to direct it to make the necessary arrangements to provide Mrs M with a warranty or similar; in order that she is put back in the position she was in before the escape of water and before AXA's contractors caused further damage to her home.*

#### *Open claim*

*Mrs M has had an open claim on the database since the claim was reported and this is likely to have had an impact on her premiums. AXA has confirmed final accounts for the claim awaited since its agent is liaising with the contractor regarding the fees. But I can't see why those internal conversations should impact Mrs M any more than it already has.*

*I intend to direct AXA to close the claim if all claim-related costs have been settled. And any external database should show only the claim relating to the escape of water – and the cost of the repairs for the claim. So, any and all further damage to Mrs M's home caused by errors and/or poor workmanship on the part of AXA should not form part of the claim cost.*

*I'm inclined to require AXA to remove any records or database (internal or external) any claim record other than the original claim in January 2022 and any costs relating to anything other than that first claim. And close the claim it currently has open.*

#### *Compensation for distress and inconvenience*

*We can award compensation for distress and inconvenience where a customer has experienced it as a result of the business' handling of its claim. Mrs M has undoubtedly experienced fairly significant inconvenience as a result of AXA's errors. In particular the contractor's poor workmanship.*

*Its not just about that though. I can see from the evidence we have that Mrs M has struggled to get AXA to engage with her questions, queries, or comments. The ongoing work appears to have multiplied exponentially over time as further errors were made. There has been a lack of clarity in communication from AXA. There have been delays which appear to have been avoidable.*

*Mrs M has been inconvenienced throughout the period in question because she's had to chase AXA for responses and progress. I've no doubt it's been a very stressful experience for Mrs M – her family life has been disrupted at times as a direct result of the errors made in the repairs being carried out at her property.*

*Our investigator thought £900 was sufficient compensation for Mrs M's distress and inconvenience. And while that's within the range of reasonable compensation I'm minded to increase the amount to £1,350.*

*Our website contains guidance on the amounts of compensation for distress and inconvenience we're likely to award in different cases. We say an award up to £1500 is appropriate where a business's mistake has caused substantial distress, upset and worry. There may be serious disruption to daily life over a sustained period with the impact felt over many months. And I'm satisfied that applies here.*

*It is my provisional view that the distress and inconvenience Mrs M experienced is in that bracket but given the time period this decision covers I can't see any reason to go beyond it at present."*

#### Responses to my provisional decision.

Mrs M agreed to my resolution of her complaint points. AXA didn't provide a response.

#### **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 haven't been provided any information from either party which alters the findings set out in my provisional decision. So, the findings set out in my provisional decision are now that of this, my final decision.

#### **Putting things right**

In order to put matters right I direct AXA Insurance UK Plc to;

- Complete paperwork for warranty of remaining underfloor heating or provide undertaking to repair any issues arising.
- Arrange for damp testing of the living room area as was supposed to have been done. Once the readings have been carried out a new settlement for reinstating the lounge should be agreed with Mrs M if appropriate.
- Close the claim if all claim-related costs have been settled. And ensure no reinstatement works to rectify contractors negligence is included in costs of the claim.
- Pay £1,350 compensation for additional stress and inconvenience

## **My final decision**

For the reasons I've explained I uphold Mrs M's complaint and direct AXA Insurance UK Plc to put things right by doing what I've set out above.

AXA must pay the compensation and settlement within 28 days of the date on which we tell it Mrs M accepts my final decision. If it pays later than this it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 5 May 2025.

Kiran Clair  
**Ombudsman**