

## **The complaint**

Mrs A complains that AXA Insurance UK Plc won't reimburse her for costs she paid to a third party following a claim on her motor insurance policy.

## **What happened**

Mrs A holds a motor insurance policy with AXA. When she drove her car into a family member's wall, she made a claim for the damage to her car.

AXA accepted her claim and arranged for the damage to be repaired.

Mrs A also asked AXA to consider the owner of the wall's claim for the damage she caused to the wall.

AXA initially said it would pay the costs to repair the wall but said this was an error. It quickly changed its stance and said it wouldn't pay the claim because it looked like the wall was in a poor state of repair before the accident.

Mrs A didn't think this was fair and complained. But AXA didn't change its stance, so Mrs A brought her complaint here.

While we were investigating the complaint, AXA said it hadn't declined the third party's claim, but it wanted to dispute the costs involved based on the state of the wall before the accident. It said the third party would need to claim on their home insurance and that it would liaise with that insurer.

Our Investigator didn't think that was fair. They explained AXA had accepted that Mrs A had hit the wall and therefore it was likely that damage was caused to the wall. He didn't think AXA had shown what difference the poor state of the wall had made to the damage caused by the accident.

He said Mrs A's policy with AXA covered her for her liability to others, and that she was clearly liable for damage to the wall on account of her hitting it with her car. He therefore thought AXA should reimburse Mrs A what she'd paid to the third party to fix the wall.

AXA disagreed with that assessment. It maintained that the third party would need to claim on their home insurance and that AXA would liaise with them about any settlement of their claim.

The dispute remained unresolved, so the case has come to me.

## **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'm upholding it.

I don't agree with AXA when it says the third party needs to make a claim with their home insurer. There's no requirement in the policy which says AXA only deals with claims from third party insurers. And being aware of how the motor insurance industry works, there are multiple times that claims are made from parties other than insurers, such as accident management companies or solicitors.

I see no reason why AXA couldn't have dealt with the third party directly.

Here it didn't do that, so Mrs A settled the claim with the third party herself. In reality it was unlikely any court action would've ever been taken by the third party considering their close family relationship with Mrs A. But that doesn't make her any less liable for the damage caused.

Here, she is clearly liable for some damage - she hit the wall with her car with force that meant her car needed repair.

Her policy covers her for her liabilities to other people.

I appreciate what AXA is saying in that it doesn't think all the damage claimed for was caused by the incident. But it's not detailed what damage it thinks is, or what effect it thinks the poor state of the wall had on the damage caused by the impact of the car. It seems to accept some damage was caused by the incident though, hence its willingness to speak with the third party's home insurer.

If AXA wanted to dispute the cost of the claim, it should have engaged with Mrs A and the third party rather than directing the third party to their own home insurer.

I don't think it would be fair to allow that to happen now – AXA has effectively missed that chance and Mrs A has understandably already settled the claim with the third party.

Therefore, because the policy covers Mrs A for her liabilities to other people in respect of *"Damage to any other person's property...."* And because AXA hasn't engaged with this claim as it should have, it's not been able to assess the impact of the claim on the wall. It should pay this claim.

So, while I accept the wall has been shown to be in a poor state of repair, AXA hasn't shown what material impact this had on the damage caused by the impact. An impact it accepts happened.

Therefore, to put things right, AXA should reimburse Mrs A what she paid the third party to fix the wall on submission of evidence.

### **My final decision**

For the reasons set out above, my final decision is that I uphold this complaint. To put things right AXA Insurance UK Place needs to:

- Reimburse Mrs A what she paid to the third party to fix their wall that was hit by her car. Interest at a rate of 8% simple should be added to this payment. Interest should be calculated from the date Mrs A paid the third party, to the date AXA pays her this payment.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 25 July 2025.

Joe Thornley  
**Ombudsman**