

The complaint

Ms C complains about AXA Insurance UK Plc's handling of her Buildings Insurance claim.

All references to AXA also include its appointed agents.

What happened

Our service has previously considered a complaint about the handling of the claim, so I will not be commenting on this here. My decision focusses solely the issue covered in AXA's final response of September 2023 regarding the potential overpayment.

Below is intended to be a summary of what happened and does not therefore include a full timeline or list every point that has been made.

Ms C has made a claim on her policy with AXA. As part of the claim, AXA agreed to make some payments to Ms C for loss of rent. This included two payments of around £600 in February 2021.

Following these payments AXA contacted Ms C and advised the last payment was a duplicate and asked for it to be returned.

Ms C said these payments had been agreed with AXA's representatives and felt it was falsely accusing her of stealing from it. Ms C subsequently raised a complaint with AXA.

In its final response, AXA acknowledged its correspondence regarding returning the overpayment may have come as a shock, but felt it had acted correctly in looking to recover it from Ms C. It confirmed no further action would be taken to recover the £600 overpayment.

Ms C was dissatisfied with the response and so brought the complaint to our service.

Our investigator's view

Our investigator didn't recommend the complaint be upheld. She noted the tone of some of AXA's correspondence may have been upsetting to Ms C, but she wasn't persuaded AXA had accused her of stealing and found it had acted fairly in initially requesting the money be returned.

She said the issue with overpayment was AXA's own internal error, but it had confirmed in its final response letter of September 2023 that it would not taking any further action to recover the overpayment.

Ms C didn't agree with our investigator's view of the complaint. She reiterated AXA had falsely accused her of stealing £600 from it and caused damage to her reputation in the process.

The complaint has now passed 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 agree with the conclusions reached by the investigator for these reasons:

- I can see AXA agreed to cover a period of loss of rent which totalled around £2,400. I can see it made a payment of £1,800 to Ms C in October 2020 and then two further payments of £600 were made in February 2021. Totalling £3,000.
- I can see AXA later identified it had issued a duplicate payment of £600 in February 2021 and informed Ms C of its mistake in May 2021, asking her to return the extra money.
- AXA issued further chasers to Ms C, and I can see in its subsequent correspondence it references considering legal action if the funds were not returned. I appreciate why the tone of this could've been upsetting to Ms C. I also understand given the wider issues regarding the claim, why this would've been concerning to Ms C.
- However, considering everything, I don't think AXA have accused Ms C of stealing. While the tone of its correspondence could understandably be upsetting and come as a shock, it acknowledged the payment was made because of its own error, this supported by £600 more being paid to Ms C than was agreed as part of the loss of rent payment.
- Further to this, AXA confirmed that it will no longer be seeking to recover the funds, so I think this is a reasonable resolution and I won't be asking it to do anything further. I will add that even if I had considered compensation was due, I would not have considered an award as high in the circumstances. So, I think AXA allowing Ms C to keep the money is enough.

So for these reasons, I do not uphold this complaint.

My final decision

My final decision is that I do not uphold Ms C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 23 October 2025.

Michael Baronti
Ombudsman