

The complaint

Mrs S and Mr U complain about the way AXA Insurance UK Plc ('AXA') handled a claim they made on their home insurance policy.

Mr U has acted as the main representative during the claim and complaint process. So, for ease of reference, I will refer to any actions taken, or comments made, as those of "Mr U" throughout this decision.

What happened

Mr U held an insurance policy with AXA. He contacted them in September 2024 after sewage began backing up through his kitchen sink. A plumber arranged by his home emergency cover attended and advised the issue was due to an external drain. A drainage contractor later confirmed the drain had collapsed and needed to be repaired and Mr U was advised to make a claim under his buildings cover.

AXA accepted the claim and appointed contractors to investigate and carry out repairs. During his initial contact with AXA, Mr U explained that his household was unable to use the bathrooms due to the blocked drain and asked whether alternative accommodation could be provided. AXA said the claim would first need to be assessed before any decision could be made about alternative accommodation. Mr U said he and his family remained living at the property for several days without being able to use its facilities, and he later complained to AXA about how the claim had been handled.

AXA considered the complaint and accepted they had not gathered enough information at the time to properly assess whether the property was uninhabitable, and they paid £200 compensation for any inconvenience caused. They also said they would consider any evidence of alternative accommodation costs that Mr U had incurred. Mr U remained dissatisfied with AXA's response to his complaint – so, he brought it to this Service. He maintained the compensation offered didn't reflect the inconvenience he'd experienced and also said he'd incurred costs of £800 for repairs AXA hadn't completed properly.

An Investigator looked at what had happened but didn't recommend that AXA needed to do anything more than they already had. The Investigator recognised AXA's service had fallen short when Mr U had reported the claim but said the £200 compensation was fair in the circumstances to reflect this and that AXA had agreed to consider any further costs incurred. The Investigator also explained why this Service couldn't look at the repair costs Mr U said he'd incurred; because this wasn't a complaint point AXA had considered yet.

Mr U didn't agree with the Investigator's conclusions and asked for an Ombudsman to consider the complaint – so, it's 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 start by explaining I've intentionally summarised the background to this complaint because the details are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving the reasons for my decision. I also need to set out what I can consider as part of this complaint, because Mr U has raised a complaint point about repair costs that AXA hasn't had the opportunity to consider and respond to yet. I've looked at the original complaint and the final response, and I can see the complaint was focused on the alternative accommodation concerns. So, I will only be looking at that aspect of the complaint here in my decision.

I've considered the claim history carefully, and I'm satisfied AXA acted fairly and reasonably in accepting the claim under the accidental damage section of the policy and then arranging for the collapsed drain to be investigated and repaired. However, I don't find that AXA handled the question of alternative accommodation as well as they should have done when Mr U reported the claim. And I think it would have been reasonable for AXA to have made further inquiries at an earlier stage to properly assess whether the property was habitable and whether alternative accommodation was required.

AXA has accepted that they didn't gather enough information at the time to make that assessment, so I don't need to make an extended finding on whether their service fell short here. But in brief, while I appreciate AXA wanted the claim to be validated first, I don't think this removed the need to consider the practical impact on Mr U and his household. As a result, Mr U says he was unable to use his property's facilities for around two to three days. I can see AXA already agreed to pay £200 compensation, which the Investigator felt was reasonable. So, I need to decide whether I think that's a fair resolution in the circumstances.

I've weighed up Mr U's testimony, the available evidence, and the duration of the process. Overall, I think the sum of £200 is appropriate in the circumstances so I won't be directing AXA to increase this. I appreciate this may not be the level of compensation Mr U had hoped for, and it may not ultimately change matters for him. But I consider the amount of compensation offered to be a fair and reasonable outcome to this particular complaint. Finally, if Mr U has incurred costs due to repairs, he should raise this with AXA directly for them to comment on.

My final decision

For the reasons I have set out above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S and Mr U to accept or reject my decision before 10 March 2026.

Stephen Howard

Ombudsman