

The complaint

Mr M complains about being charged an excess by AXA Insurance UK Plc following a claim.

What happened

Mr M holds a commercial vehicle policy with AXA. In early-March 2024, Mr M was involved in an accident. He raised a claim with AXA. The claim was accepted, and Mr M's van was repaired. Mr M was unhappy that the garage charged him an excess, the excess amount was incorrect and he wasn't informed he'd have to pay his excess. Mr M was also unhappy that AXA hadn't contacted the third party involved in the accident. Mr M raised a complaint. AXA upheld the complaint. Whilst they didn't think they'd done anything wrong in relation to the excess, they accepted they hadn't been proactive about contacting the third party. AXA offered Mr M £100 compensation. Still unhappy, Mr M brought the complaint to this service.

Our investigator upheld the complaint. They thought AXA were responsible for the garage charging the wrong excess and increased the compensation to a total of £200. Mr M appealed. He didn't think the compensation was enough, he wanted his excess refunded and wanted the claim recorded as "non-fault". As no agreement could be reached, the complaint has been passed to me to make a final decision.

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.

When considering complaints such as this, I need to consider the relevant law, rules and industry guidelines. The relevant rules, set up by the Financial Conduct Authority, say that an insurer must deal with a claim promptly and fairly. So, I've thought about whether AXA acted in line with these requirements with how they handled Mr M's claim.

Having done so, and whilst I appreciate it'll come as a disappointment to Mr M, I've reached the same outcome as our investigator.

At the outset I acknowledge that I've summarised his complaint in far less detail than Mr M has, and in my own words. I'm not going to respond to every single point made. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. The rules that govern the Financial Ombudsman Service allow me to do this as it's an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I'm satisfied I don't need to comment on every individual point to be able to reach an outcome in line with my statutory remit.

As a starting point, I need to set out the scope for this complaint. As a service, we're only able to look into complaint points raised by Mr M with AXA. So, I'll only be addressing the actions considered in the final response letter by AXA in mid-November 2024. I appreciate there have been further phone calls and issues since then, but I can't consider them in this decision. If Mr M remains unhappy with these issues, he'll need to raise them as a new

complaint with AXA. This means I can't consider the claim liability outcome AXA Have come to.

Mr M complained to AXA that he wasn't informed that he'd need to pay an excess. However, since our investigators view, he's accepted he was informed during the initial notification of loss call. So Mr M was aware he'd need to pay his excess.

An excess is the first part of a claim that is paid by the policyholder. The excess is due no matter who is at fault for the claim. An excess is an uninsured loss. Should the claim be deemed to be a third party's fault, the insurer may help the insured and request payment, but there is no requirement to. Whilst I accept Mr M feels strongly about how the claim liability should be settled, he was always required under the policy to pay his excess.

AXA has now accepted they informed the garage of the incorrect excess. This has caused Mr M distress and inconvenience in having to get this corrected. However, I note this was corrected reasonably quickly.

AXA has also accepted they weren't proactive enough in contacting the third party.

I appreciate that it must have been frustrating and time consuming for Mr M to have been charged the incorrect excess and having to chase AXA for them to contact the third party. Although this is a distilled version of events, I've considered everything in the round and I think Mr M has been caused an unreasonable amount of distress and inconvenience which has required a reasonable amount of effort to sort out. In line with our website guidelines, I think £200 compensation is fair and reasonable.

Mr M has said he didn't think the compensation is enough particularly because of the impact on his partner. We can only consider the impact on policyholders. As Mr M's partner isn't a policyholder, whilst I'm sorry to hear about the impact the issues have had on her, I'm unable to consider any distress and inconvenience caused to Mr M's partner.

Putting things right

To put things right, AXA should pay Mr M a total of £200 compensation. This includes the £100 compensation offered in their final response letter.

My final decision

For the reasons I've explained above, I uphold this complaint and direct AXA Insurance UK Plc to put things right by doing as I've said above, if they haven't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 19 December 2025.

Anthony Mullins
Ombudsman