

The complaint

Mr P complains about the service received and repair quality by AXA Insurance UK Plc following a claim on his van insurance policy.

What happened

Mr P's van was involved in an accident in May 2023. Mr P logged a claim with AXA and his van was repaired. Mr P wasn't happy with the repairs or the service he received. He raised several complaints at different times about the following issues:

- He's lost the ability to protect his no claims discount.
- He wasn't at fault for the accident so he shouldn't have had to pay an excess or the VAT element of the repair costs. This has also impacted his future insurance premiums.
- Repair quality.

AXA has upheld some of Mr P's complaint points. In total, they've offered Mr P a total of £300 compensation. As they didn't uphold all of Mr P's complaint points, he brought the complaint to this service.

Our investigator didn't uphold the complaint. They thought the compensation awarded was fair in the circumstances and AXA hadn't done anything wrong in relation to the points they hadn't upheld. Mr P appealed. He didn't think our investigator had understood part of his complaint. He also thought the issues had been going on for too long. As no agreement could be reached, the complaint has been passed to me to make a final decision.

Because I disagreed with our investigator's view, I issued a provisional decision in this case. This allowed both AXA and Mr P a chance to provide further information or evidence and/or to comment on my thinking before I made my final decision.

What I provisionally decided – and why

I previously issued a provisional decision on this complaint as my findings were different from that of our investigator. In my provisional decision, I said:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Based on what I've seen so far, I intend to uphold Mr P's 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 settled Mr P's claim.

At the outset I acknowledge that I've summarised his complaint in far less detail than Mr P 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, it's important to set out the scope of this decision. Whilst Mr P has raised several complaints with AXA, we're only able to look into complaints where it was brought to this service within six months of the final response letter being issued. So, this complaint only covers issues from the 6 December 2023 to 22 November 2024. Should Mr P remain unhappy about issues following this period, he'll need to raise a separate complaint with AXA.

I've split Mr P's complaint points out for ease below.

No claims discount protection

Mr P is unhappy he's lost the ability to protect his no claims discount. Mr P has provided us with his renewal document from 2024 and this confirms that no claims discount protection isn't available.

AXA has said in line with their terms and conditions, due to the claim, no claims discount protection isn't available. The policy terms say as follows:

"If you have only made one claim in the current period of insurance, your no claims discount will not be reduced when you renew, however no claims discount protection will be removed from your policy."

AXA have further told us that a customer can only select protected no claims discount cover if they have five years no claims discount and no at-fault claims (including open claims), for any driver named on the policy in the last three years.

As the claim is still open, with liability not yet being settled, the claim is considered at-fault which is why Mr P's policy has renewed without being able to offer the protection. Should the claim be resolved as non-fault, Mr P should be able to add the protection to his policy again. Based on the terms and conditions, I don't think AXA has done anything wrong on this point, although I think they could have explained it better to Mr P.

Liability

Mr P is unhappy that he's had to pay his excess and the VAT element of the repair costs, which totals £1,415.68. However, AXA have already confirmed that they charged Mr P too much for the VAT and said a refund of £607.13 was due.

At the point AXA issued their most recent final response letter, in November 2024, liability hadn't been resolved between AXA and the third-party insurer. As such, I won't be able to consider the liability outcome in this complaint. AXA has confirmed they've hired solicitors to pursue the third-party insurer. Should Mr P be unhappy with the liability outcome when it has been resolved, he'd need to raise this as a new complaint.

As liability hadn't been settled at the point of the complaint coming to us, it would be recorded as an open claim. So, Mr P would be liable for the VAT and his excess at that point. So, I don't think AXA has done anything wrong by charging them. Once liability is resolved, he may be able to recover his uninsured losses from the third-party insurer. AXA may be able to help Mr P with this.

However, looking at the timeline for deciding liability, I don't think AXA has acted reasonably. The accident happened in May 2023 and liability still hadn't been settled in November 2024. Whilst I appreciate that settling liability is also dependent on the cooperation of the third-party insurer, AXA weren't proactive enough. The claim notes show they only chased the third-party insurer for updates in April and June 2024. So, I intend to award Mr P compensation for this.

Mr P has also raised about increased premiums due to the recording of the open claim. Whilst I accept liability should have been sorted sooner, whilst the liability outcome is unresolved, it's not possible to know whether Mr P has suffered a financial loss, or whether had AXA been more productive, whether it would have been in time for his renewal. If liability is settled as non-fault, Mr P will be able to approach his insurer to ask them to update his records.

Repairs

Mr P has raised issues with the quality of repairs. His van was repaired and returned to him in July 2023.

Mr P has raised issues with the repairs to the rear door and the sliding door. An inspection of the vehicle took place by an AXA technician. Their report showed unrepaired damage to the rear. It was also seen that a poor repair had taken place to the door since the repair by AXA. In relation to the sliding door, it was seen that the door was out of alignment. However, this wasn't the case, as shown by images, following the repair completion by AXA. It's been suggested that this has been caused by either over sliding the door or due to using excessive force.

Based on the report and images I've seen, I don't think AXA has done anything wrong in relation to the repairs. As a service, we have to use the expert evidence provided by both parties to decide whether the insurer has done anything wrong. Based on the evidence provided, and the time between the repair and the inspection, I'm more persuaded that the repairs were completed correctly and the damage has happened since. So, I'm not going to be asking AXA to do anything on this point.

Mr P has said due to the delay, he wasn't able to get the repairs to the sliding door completed on his warranty. I've not seen any evidence that Mr P attempted to get the repairs done and they were declined during the manufacturer's warranty period. Whilst there was a complaint, Mr P would still have been able to take his van to his manufacturer for a warranty repair.

It has been accepted that the sliding door didn't need to be included in the original repairs and Mr P has been overcharged for VAT on this aspect. AXA has offered to refund Mr P the overpayment on this which I think is fair. Mr P has also complained about the invoice provided for the VAT charged by AXA's repairer as it doesn't include their VAT number. Mr P has said he needs this to claim back the VAT. Mr P has been provided with two invoices by AXA's repairer. The first invoice, which had the incorrect figures on it, does have a VAT number. However, the second invoice, which has the correct figures, doesn't. I think AXA should arrange for Mr P to be issued with a new invoice, with the correct figures on it outlining how much he's actually paid in VAT, with AXA's VAT number shown on it. AXA has so far offered Mr P £300 compensation. This compensation was offered for overcharging Mr P VAT, delays in dealing with his complaint and offering him an unhygienic hire van. AXA hasn't offered compensation for dealing with the claim. I've considered everything in the round and I think Mr P has been caused considerable distress, upset and worry which has taken a lot of extra effort to sort out. In line with our website guidelines, I'm intending to tell AXA to pay an additional £200 compensation, making it a total of £500."

I set out what I intended to direct AXA to do to put things right. And gave both parties the opportunity to send me any further information or comments they wanted me to consider before I issued my final decision.

Responses to my provisional decision

AXA accepted my provisional decision.

Mr P confirmed he didn't agree with my provisional decision. He made the following points:

- AXA hasn't taken any legal action until this point
- He doesn't believe he can recover his excess
- The rear door badge is still missing from his van
- Mr P raised his complaint about the repairs within 72 hours of getting his van back
- The warranty on the van ended in March 2024 and the inspection didn't take place until July 2024.
- AXA have a three-year warranty on labour and parts

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've thought carefully about the responses to my provisional decision. Having done so, while I appreciate it will come as a disappointment to Mr P, my conclusions remain the same. I'll explain why.

Having considered all the points above, Mr P hasn't provided any new information and so my outcome remains the same, for the same reasons. I will comment on the points raised by Mr P above.

I accepted in my provisional decision that I didn't think AXA hadn't treated Mr P fairly with how long the claim liability was taking and awarded him compensation for this. Should Mr P continue to remain unhappy, he would need to raise this as a new complaint with AXA.

Until liability is fully agreed, it wouldn't be possible for Mr P to recover his uninsured losses. From experience, a lot of claims take longer than six months to settle liability and they still recover their uninsured losses. I see no reason why, if the claim is settled as non-fault on Mr P's behalf, why he shouldn't then be able to recover his uninsured losses. Should this be the case at that time, Mr P will be able to raise a new complaint with AXA.

I accept the rear badge is missing from his van. AXA has attempted to fit the badge without success so I can't say AXA has done anything wrong on this. Should Mr P now want AXA to fit the badge, he would need to contact them to arrange it.

I accept Mr P raised a complaint within 72 hours. However, the evidence I've been provided shows the sliding door to be aligned correctly and an engineer reporting the cause of the damage is due to misuse. I have no evidence to counter this. Whilst insurers do provide a warranty on their repairs, this is to cover faults with the workmanship. AXA's engineer has confirmed the damage to the sliding door was caused by misuse which wouldn't be covered.

The repairs were completed in July 2023 and so Mr P would have had eight months within the warranty period to have the manufacturer review the sliding door under the warranty. I've not seen any evidence that this happened.

Putting things right

To put things right, AXA should do the following:

- Pay £607.13 to cover the overcharged VAT if this hasn't been refunded already.
- Pay a total of £500 in compensation for the trouble and upset caused.
- Arrange for Mr P to be provided with an invoice stating the repairers VAT number

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 P to accept or reject my decision before 21 November 2025.

Anthony Mullins
Ombudsman