

## **The complaint**

Mrs G complains that AXA Insurance UK Plc provided very poor service following an accident that led to her car being written off and didn't offer her enough compensation.

## **What happened**

Mrs G's car was hit head on by a driver who was on the wrong side of the road. Her children were in the car and the accident was very traumatic for the whole family.

Mrs G and her husband, Mr G (a named driver on the policy) say they expected support from AXA but didn't get it. Initially, they were unhappy about being directed to the other driver's insurer about a personal injury claim, with the excessive time they thought it took AXA to deal with some issues, that AXA didn't pay a claim for some glasses and that its contact with them was poor. Mrs G and Mr G thought they had to carry out tasks that shouldn't have been necessary on AXA's behalf. They also disputed the car's valuation and the interim sum AXA paid for it, and they thought AXA should have provided a partial premium refund.

AXA accepted that its advisor shouldn't have directed Mrs G to the other insurer when she had paid for legal expenses cover. It said there was insufficient personal items cover on the policy for the cost of a second pair of glasses but agreed it should have replied more quickly to an email about it. It also accepted that it had delayed in reviewing the recovery costs for the car, which led to Mrs G and Mr G having to chase it. AXA apologised for these shortcomings and offered £250 compensation for distress and inconvenience.

AXA disagreed that its valuation of Mrs G's car was too low, but it accepted that in error it had deducted the car's salvage value from the interim sum it paid for the car on 13 August 2025. Although it had paid the sum to cover the shortfall the next day, AXA offered a further £100 compensation for that error. It didn't agree that a partial premium refund was due, as the policy had remained in force until Mrs G bought a new car. But it noted that its advisor had misunderstood a query about the issue, which had caused some confusion. So it offered a further £100 compensation, making £450 in total.

Mrs G and Mr G told us they thought the poor level of service merited compensation of at least £1,250, plus a further £500 for the car. But when one of our Investigators reviewed the complaint, he concluded that the valuation was fair and that AXA had taken the concerns raised by Mrs G and Mr G seriously. Although he accepted that its claims handling was below standard and had made a very difficult experience worse, he thought AXA had made a reasonable attempt to make up for that with the total compensation sum it had paid.

As Mrs G and Mr G disagreed, the complaint was passed to me for review.

## **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.

There's an extensive amount of information on the file. Although I've read all of it, I won't be commenting on every point made by the parties. Instead, I'll concentrate on what I think are the main issues that need to be addressed.

### *My overall view*

I think it's clear that Mrs G, Mr G and their children were extremely upset and traumatised by the circumstances and the seriousness of the accident that led to the claim. It must have been particularly difficult to process it emotionally. Although that wasn't AXA's fault, I think they were entitled to expect to receive fair treatment from it and that it would act to deliver a good outcome for them promptly.

The accident was reported on 29 July 2025 and the correct interim sum for the car's total loss was paid on 14 August 2025. So a settlement sum was paid more quickly than we'd normally consider to be reasonable (around a month) especially as there was valuation dispute, which always takes some time to process.

AXA made errors in dealing with the claim, which it accepted meant that some of its service fell well short of the expected standard and caused distress. But I think it took the complaints Mrs G and Mr G made seriously and investigated them appropriately. Although Mrs G and Mr G think a minimum of £1,250 compensation should be paid, in my opinion, AXA acted reasonably in paying £450. Compensation isn't meant to punish a business, but to reflect the impact of its errors. We think compensation of around the level paid by AXA reflects the impact of errors that have caused considerable distress, upset, or worry, and / or significant inconvenience, over a period of weeks or months. I think that's what Mrs G and Mr G faced.

In my opinion, the outcomes of the claims handling and of the complaints process, delivered by AXA well within the timescales we think are fair, show it provided good service overall.

### *Mrs G's complaints / AXA's responses and resolutions*

The claims notes show that AXA contacted Mrs G and Mr G about the claim and the complaint and that Mr G contacted AXA frequently. I don't think some of that contact was necessary, and on occasion AXA wasn't given time to review the situation and call Mr G back before he contacted it again. Mrs G and Mr G were very anxious during this time and were also coping with the enormous stress caused by the accident, so I don't doubt that they would have appreciated more contact / support. But I don't think that means that AXA's communication with them was lacking for the most part.

AXA misadvised them about contacting the other insurer, and it didn't respond to their email promptly. It accepted that it should have told them quickly to claim for the second pair of glasses as an uninsured loss. It delayed in reviewing the car's recovery costs, which Mr G had to chase. And I think it provided poor service in asking Mrs G and Mr G to collect their car from the garage it was taken to initially. In error, it issued the interim payment for the car minus a retention sum. Mr G shouldn't have had to contact it about that, but the issue was resolved almost immediately. And in relation to a policy refund, although I think it was correct for AXA to say one wasn't due, it accepted that its advisor had caused confusion during a call about it and partly upheld that point.

AXA didn't uphold the other issues Mrs G and Mr G complained about, such as not paying the second claim for glasses. It noted that it had paid the first claim for glasses within two days of the accident and had advised Mrs G at the time that the personal belongings limit on the policy had been reached. And it didn't think it was unfair that Mrs G and / or Mr G had to talk through their issues weeks after making their initial complaints. I've looked at the

circumstances surrounding these and other issues that weren't upheld by AXA. I don't think it acted unreasonably, for the reasons set out above and in its final response letter.

### *The car's valuation*

Initially, AXA's agent valued the car. Mrs G and Mr G didn't accept the sum it proposed, which I think was reasonable, but AXA took over dealing with the valuation within a few days. The trade guides we and most insurers normally rely on to show the likely market value of a vehicle all produced figures well under the sum Mrs G and Mr G wanted. But AXA's engineer reviewed Mr G's market research and accepted that the valuation should be based on it. The advert shows that the car he relied on as a similar one to the written off car was priced at £10,999 but had less mileage. I think it was fair to deduct a sum for that, as it's standard practice, and therefore to offer Mrs G £10,597.

### *In summary*

In my opinion, the valuation was fair and AXA provided reasonable compensation for its service failings, at a level that reflected the considerable distress and significant inconvenience caused to Mrs G and Mr G. I think it dealt with the claim and the complaints made by them promptly. I don't underestimate the amount of distress and inconvenience that Mrs G and Mr G experienced as a result of the accident, of losing their car, and of coping with AXA's mistakes, and I sympathise greatly with them. But for the reasons stated above, I don't think it would be fair and reasonable for me to uphold their complaint and to require AXA to provide more compensation.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 9 May 2026.

Susan Ewins  
**Ombudsman**