

The complaint

Ms A and Ms C were unhappy with how their claim was handled by AXA Insurance UK Plc ("AXA") under their home insurance policy.

What happened

Ms A and Ms C made a claim to AXA following damage caused by an escape of water incident. However, Ms A and Ms C were unhappy with the general handling of their claim and the lack of progress with it, so they raised two complaints with AXA which it responded to with final response letters on 30 September 2024 and 6 May 2025.

AXA offered a total of £750 over both these complaints to compensate Ms A and Ms C for the distress and inconvenience they suffered. Later, AXA agreed to extend the alternative accommodation (AA) arrangements.

Ms A and Ms C didn't accept AXA's offer, and they didn't think AXA had recognised what they called the "*deceitful*" behaviour of its contractor.

Our investigator decided to uphold the complaint. She thought the actions AXA had taken to put right its failings were reasonable, however, the complaint is shown as an uphold as AXA didn't extend the AA until after the complaint was escalated to our service. Ms A and Ms C disagreed, so the case has been referred to an ombudsman.

My provisional decision

I made a provisional decision on this on 11 November 2025. I said :

AXA acknowledged several failings in the handling of this claim, which include:

FRL dated 30 September 2024

- inefficient communication including no responses to [Ms A and Ms C's] emails dated 18 August 2024 and 21 August 2024, which caused the claim to be further delayed
- delay in the contractors commencing to start their works and delay in processing the utility expenses
- confusion and poor communication in relation to the kitchen design provided. There were so many versions created but no indication which type of design was used
- Ms A and Ms C had to contact AXA's contractors regularly by phone and email to progress the claim or to receive updates

FRL dated 6 May 2025

- an error made asking for the same information twice
- expense payments took an unreasonable amount of time to process
- messages provided to Ms A and Ms C implied their AA would be terminated before their own property was uninhabitable
- unprofessional behaviour by AXA's representatives when Ms A and Ms C discovered

inappropriate comments when they made a Subject Access Request (SAR).

- issues with AXA's representatives were highlighted but it was unclear how well these were addressed
- Ms A and Ms C had to commission their own independent loss adjuster to deal with the issues with the claim.

I won't have covered every issue raised, but I think the points listed and what AXA acknowledged in the two final response letters gives a flavour of what went wrong on this complaint. There were other points where Ms A and Ms C raised issues, but AXA said its representatives had dealt with these points.

My starting point for any claim is for the insurer and its representatives to take the lead on any claim, given they are experts in this field and do it professionally. Most of this relies on good planning, regular communication and reliable contractors.

It's clear this has not happened on this claim, and AXA has failed on all three of these areas which has left Ms A and Ms C frustrated, distressed and inconvenienced. It's evident that at times they've been project managing this claim themselves, chasing up AXA's own representatives on countless occasions. I don't think this is acceptable.

There are two aspects of the complaint that I can see had a significant impact on Ms A and Ms C.

The first relates to Ms A and Ms C having to live away from their home for such an extended period. The actual date of the loss was February 2023 and whilst its not entirely clear by the file, but work was still ongoing in March 2025, possibly longer.

I think with any claim there will be a baseline level of distress and inconvenience suffered; however, Ms A and Ms C's claim has been ongoing for well over two years and it has resulted in them having to live in AA for a long period of time, which will have added to the distress. AXA haven't managed this claim efficiently, its clear it has gone on much longer than it should've done and the poor handling of the claim by AXA's representatives has been a major factor in this.

Secondly, Ms A and Ms C has raised with AXA several times about the fact it feels some of AXA's contractors were dishonest. They've used the word "*deceitful*". From the testimonies I've seen from Ms A and Ms C in the complaint file, I can tell that their feelings on this matter are deep rooted. This was a major part of their complaint, and they see it as a significant reason in the breakdown in relations with AXA's representatives.

Given the strength of feeling from Ms A and Ms C, I think it's likely there is some foundation in what they're saying. I can see this caused considerable issues with the choice of kitchen and caused significant delay to the programme of work. So, I would've thought AXA would've taken this more seriously. However, I can't see that it has done much (if anything) in investigating this thoroughly.

In the first final response letter, AXA simply commented "*You have mentioned you had concerns regarding the dishonesty of the builders which [our representative] have not addressed. As I am unable to view the evidence of this, I am unable to review this part of the complaint*".

Then in the second final response letter, AXA said "*I do apologise for the comments you have found following your [SAR request]. There seemed to be a confusion and poor communication in relation to the kitchen design provided. There were so many versions created but no indication which type of design was used*".

AXA also said “[our representative was] informed that you were encountering difficulties with [our] contractor and asked for their assistance and [our representative] has tried to assist”.

I think these comments show AXA has failed to thoroughly investigate Ms A and Ms C’s complaint. There is a consistent tone that Ms A and Ms C were unhappy with the behaviour and attitude, even values of one of the contractors. There were inappropriate comments captured, and AXA has glossed over these in its final response letter. AXA hasn’t accepted there was an issue, hasn’t shown any empathy towards Ms A and Ms C and hasn’t taken any actions to address the underlying behaviours of its representatives. I don’t think this is reasonable.

I don’t think the compensation offered by AXA is fair in the circumstances of this claim / complaint. AXA started in its second final response letter to recognise the long-term nature of the issues in this complaint. It said *“I understand that the prolonged nature of the work and the difficulties with communication have made this experience feel like an ongoing battle. Living away from your home for such an extended period is understandably distressing, especially when considering X’s health needs. The lack of access to essential facilities like hot water and cooking amenities must have added to your frustration, and I can only imagine how concerning it was for you both”*.

Yet, AXA’s comments in relation to the detail of the complaint go nowhere near taking accountability for the problems with this claim. Therefore, I intend to uphold this complaint.

Ms A and Ms C had to appoint their own independent loss assessor as they were facing so many issues with the claim. It shouldn’t normally be necessary for a policy holder to take this approach, and I think it was only necessary here due to the failings by AXA. So, if Ms A and Ms C incurred any costs in relation to commissioning their own loss assessor, then I intend that AXA to reimburse all these costs, once Ms A and Ms C have provided evidence of the costs they have incurred.

For not providing a satisfactory response to Ms A and Ms C’s complaint specifically about the *“deceitful”* behaviour of its representative, for not carrying out a thorough investigation and for not taking appropriate actions, I intend that AXA provide Ms A and Ms C with a written apology from a senior member of its team. It’s not my role to point out to AXA any internal changes or improvement it could make to its own operation.

For all the reasons I’ve set out, I don’t think the compensation offered by AXA (£750 in total) is sufficient for its failures in this claim. I think the issues are long standing, significant and will have caused major disruption on a regular basis for an extensive period. AXA are aware of the vulnerability that exists with the family, which makes the level of distress and inconvenience suffered greater. I’ve asked Ms A and Ms C specifically how this has impacted them. I’m not going to share this for confidentiality reasons, but I’m persuaded that there has been an enormous strain on the family which has been increased significantly due to the vulnerabilities that existed. Therefore, I intend to award £2,500 in total (£1,750 more than AXA offered).

Responses to my provisional decision

AXA didn’t respond to my provisional decision.

Ms A and Ms C said :

“We really appreciate that the ombudsman has recognised the distress we suffered and acknowledged the dishonest behaviour of the contractors, as he recognised, this part was very important to us.

The agreement we had with our loss assessor was to use his contractors instead of paying a fee so we did not entail any costs when commissioning him.

We would welcome the written apology and compensation. However, I note that in certain circumstances a final decision isn't given. It is very important to us that our complaint does result in a published final decision as one of our hopes is that insurance companies will be forced to be more accountable at some point".

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.

Ms A and Ms C have explained they didn't incur any additional costs appointing the loss adjuster, therefore, I have removed the action for AXA to re-imburse this money.

As I didn't receive any other new information, the remainder of my provisional decision will remain.

My final decision

My final decision is that I uphold this complaint. I require AXA Insurance UK Plc to:

- Provide Ms A and Ms C with a written apology from a senior member of its team
- Pay £1,750* in compensation – for distress and inconvenience (if AXA hasn't paid the £750* already offered, then it should also pay this).

**AXA Insurance UK Plc must pay the compensation within 28 days of the date on which we tell it Ms A and Ms C accepts my final decision. If it pays later than this it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.*

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A and Ms C to accept or reject my decision before 24 December 2025.

Pete Averill
Ombudsman