

The complaint

Mr M complains that AXA Insurance Designated Activity Company didn't provide help to him under his motor insurance policy after his car was stolen, recovered, and put in storage.

What happened

On 11 October 2024 Mr M told AXA his car was stolen two days earlier. The police told him four months later that it had been found and taken into storage, and that around £2,000 of storage charges were owed at that point.

AXA said it tried to recover the car as soon as it was told where it was by Mr M, but the recovery firm it instructed couldn't collect it, as the garage said the car was on police hold.

It emerged later that as the car was on finance, the police had told the finance company ('firm A') in December 2024 where it was when it was recovered. The garage later refused to discuss the issue with AXA, as it said it was dealing with firm A instead, but it told AXA the car was undamaged. AXA enquired several times about progress, and firm A told AXA in April 2025 that its discussions with the garage were ongoing. Meanwhile, Mr M had made a complaint to firm A in March 2025 and another one to AXA.

Later, Mr M complained to us about AXA and about firm A. The complaint about firm A has been dealt with separately. AXA told us what had happened and why it had been unable to secure the car's recovery. It said it had contacted the garage again in September 2025 and the car was still there. In an effort to resolve matters, it said was willing to pay the storage charges from the date it was told where the car was, plus a goodwill gesture of £250. We put the offer to Mr M on 3 September 2025, but he rejected it. Our Investigator thought AXA had acted reasonably, but as Mr M 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.

AXA started to investigate Mr M's theft claim in October 2024 and requested a police report about the theft, in line with standard practice. The report still hadn't been provided when the police told Mr M in February 2025 that the car had been recovered. It isn't unusual to have to wait for several months for a police report. But I think it's clear that AXA didn't know where the car was until Mr M passed on the news about it having been found, despite the police having been aware of AXA's interest in the car and the theft from October 2024.

At the point AXA was told where the car was being stored, it had been running up storage charges for six weeks. But as AXA wasn't aware of that, I don't think it can be held responsible for those charges. The file notes show that when Mr M told it about the car's location, AXA did all it could to move matters on. It instructed a recovery agent immediately to retrieve the car. Had that happened, as the car isn't damaged, it could have been handed

back to Mr M in February 2025. But the garage wouldn't release the car. Nor would it even discuss the storage situation with AXA, as it said it was dealing with firm A instead.

AXA contacted firm A several times during the following months, and firm A told AXA it had been unable to negotiate the release of the car. AXA wasn't able to influence the protracted discussions between firm A and the garage, as it was excluded from them. It wasn't to blame for their failure to agree terms, so Mr M could get his car back. In my opinion, it isn't AXA's fault that the garage wouldn't release the car, whilst it continued to run up huge storage charges. As AXA couldn't intervene, I don't think it's responsible for any of those charges.

In the circumstances, I think the offer AXA made to cover the storage charges from February 2025 onwards was more than reasonable. I think the same applies to its offer of £250 as a gesture of goodwill. Mr M says he faced a huge amount of distress and inconvenience, so that sum isn't enough. I think he has suffered greatly as a result of what has happened. Had I thought AXA was responsible for it, I would have upheld this complaint and required AXA to pay substantial compensation. But I don't think the distress and inconvenience Mr M has had to face flowed from poor service or errors on AXA's part.

I don't think Mr M has shown that AXA did anything wrong. And it made a generous settlement offer regardless. So in my opinion, it wouldn't be fair and reasonable for me to uphold his complaint against it. We contacted AXA yesterday and it said its settlement offer remains open to Mr M. I hope AXA will contact him about that following this decision, and that he will reconsider the offer.

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 Mr M to accept or reject my decision before 24 February 2026.

Susan Ewins
Ombudsman