

The complaint

Mr I has complained about his property insurer AXA Insurance UK Plc, he says it didn't settle one claim, unfairly declined another and then cancelled his policy.

What happened

Mr I had a policy with AXA starting in 2023. He made two claims before the policy was due to renew in February 2024. After the date the policy was expected to renew on, Mr I received a letter from AXA which said the policy had lapsed at renewal. Shortly after Mr I received that letter, another incident occurred at the property which Mr I felt unable to claim for. He was unhappy about everything that had happened and the losses he'd incurred.

In 2025 Mr I contacted the Financial Ombudsman Service. He said he'd complained to AXA in 2024 but it hadn't answered him. When AXA was contacted by this Service, it said it hadn't heard from Mr I, in writing or by phone. It then issued a final response letter (FRL).

AXA said it had settled one of Mr I's claims, and he had withdrawn the other. It said it had contacted him several times before deciding to lapse the policy. It felt it had acted fairly. Mr I remained unhappy so our Investigator reviewed the complaint.

Our Investigator undertook enquiries with both parties as both seemed to have different recollections of what had happened. The enquires enabled him to establish that AXA had not settled or declined either claim – that Mr I had directed it to withdraw both. He also established the policy lapsed at renewal, rather than was cancelled after it. Taking everything into account, he was satisfied AXA had acted fairly and reasonably.

Mr I disagreed. He said it wasn't fair that after he had given AXA two attempts to resolve his complaint, he then complained to this Service, only for most of the information he had shared with us to not be considered. He asked for an Ombudsman's 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.

Having done so I find my view is the same as that of our Investigator. But before I set out my findings, which I trust will help Mr I understand why I've reached this decision, I'd like to reassure him that none of his evidence has been ignored. It has all been considered. However, there are two parties to this complaint, and the evidence from both sides must be taken into account. And it is the nature of this role that when the evidence provided by the parties is weighed up, we will usually find one party's detail to be more persuasive than the other's. That is all part of us, in our role as impartial decision makers, applying our judgement to determine the fair and reasonable outcome for the complaint.

In this complaint Mr I said he was unhappy that AXA had failed to settle one claim and had declined another. But he presented no evidence to show that is what AXA had done. AXA, to be fair to Mr I, was somewhat unclear in its FRL. And then when it initially gave our

Investigator detail about what it had done – it did suggest that some settlement for one of the claims had been made. However, upon further investigation, it was apparent that Mr I had told AXA, in an email on 7 December 2023 that he wanted to withdraw both claims.

Our Investigator shared this email with Mr I and he has not said or provided anything which might suggest he did not give AXA such a direction.

Having received such a direction from Mr I, I can't reasonably blame AXA for not progressing the claims. I appreciate that Mr I has been left out of pocket because he paid for necessary work and repairs. But I think it would have been unfair for AXA to ignore Mr I's clear direction and proceed with its claim considerations anyway. If Mr I wants AXA to investigate his claims he will have to speak to AXA about that, and if the claims are reopened, he will have to cooperate with its enquiries.

That said, I am aware that when the claims were withdrawn, AXA had been considering what might be some significant underinsurance of the property. Seemingly with Mr I withdrawing the claims, and the policy nearing the end of its term, AXA was content, rather than to pursue the issue of underinsurance, to allow the cover to lapse at renewal. If the claims are reopened that will likely mean AXA will resume its investigations into the adequacy of the policy cover in place at the time.

I don't know what will happen if AXA's investigations resume. To be clear I am making no finding about underinsurance here. But Mr I should be aware that sometimes an insurer will avoid a policy for underinsurance. And avoidance can sometimes have serious and significant consequences for a policyholder. With many insurers taking instances of avoidance into account when considering whether or not to offer cover and at what price.

At the minute Mr I does not have an avoidance or even a cancellation of a policy logged on his record. Rather, and whilst I know AXA caused some further confusion again when it wrote to Mr I saying it would cancel his policy, Mr I's policy was left to lapse at renewal. A policy lapsing at renewal is just a normal part of the provision of annual contracts for insurance and as such, isn't usually something which has to be declared when a new policy is arranged. Nor is it something an insurer will usually take into account when considering to offer cover and at what price.

AXA could and should have taken more care to be clear with Mr I about what was happening. But I am satisfied that, in February 2024, before the policy lapsed at renewal, AXA did email Mr I and let him know that it would be cancelling the cover in seven days if he did not contact it. Mr I seems to not have received these emails. I can't say why that was but I am satisfied they were sent to him.

After the date the policy should have renewed or been cancelled in line with the February emails, AXA sent letters to Mr I. They explained the policy had not renewed. It wasn't helpful, in my view, for AXA to only tell Mr I this after the fact. However, I'm satisfied it didn't place Mr I in any worse position as far as I can see because if AXA had continued with the cancellation, that would have occurred shortly after the renewal date anyway. As it was, the policy just being allowed to lapse means Mr I has been left in a beneficial position because there is no cancellation to declare.

I realise Mr I has said that because he did not know the policy had ended, he was left uninsured when another incident occurred. But I note that Mr I did receive AXA's second letter dated 5 March 2024, and the incident at his property did not then occur until 13 March 2024. Whilst the news that the policy had lapsed at renewal a couple of weeks before was likely upsetting to Mr I, I think he had a reasonable chance to act to mitigate the

situation and find alternative cover. I'm not persuaded AXA did anything wrong which caused Mr I to suffer a loss.

My final decision

I don't uphold this complaint. I don't make any award against AXA Insurance Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 27 February 2026.

Fiona Robinson
Ombudsman