

Complaint

Mrs M complains about how AXA Insurance UK Plc have dealt with a claim made for fire damage under her buildings and contents insurance policy.

Mrs M is represented by her son, Mr W. I'll refer to both of them in this decision.

All references to AXA include its appointed agents.

Background

What follows is intended to be a brief summary of the events that led to this complaint. It does not therefore include all the points raised, nor is it intended to be a timeline of events.

There was a fire at Mrs M's property in 2017. AXA dealt with the initial damage and rebuilding of the property. Mrs M moved back into the property around April 2018 but there were still outstanding issues.

Mr W, on behalf of Mrs M made a complaint to AXA about the progress of the claim and a number of issues that remained outstanding. He said some of the work remained uncompleted and that other repairs which had been done, were of poor quality causing further damage to the property. AXA looked into the complaint and offered Mrs M £750 compensation. AXA at that point said it was for the delays in accommodation payments being made and other issues not being dealt with promptly. Further work was then undertaken to complete some of the outstanding issues. Mrs M also had some private work done at the same time to modernise the property.

In December 2018, Mr W made a further complaint to AXA as he remained unhappy with the duration of the claim and the progress of it. He also said the amount paid for the contents of the property was undervalued.

AXA looked into the complaint but maintained the value it had paid for the contents, was correct. It explained it had made deductions for wear and tear, reduced the value of some items as it didn't think the amount claimed was reasonable and, only paid for items covered under the contents section of the policy.

Mr W brought the complaint to this service. Our investigator looked into it but didn't feel AXA needed to do anything more at that stage. Mr W had raised more complaint points in the meantime and our investigator said AXA needed to have the opportunity to respond to these. Mr W asked for an ombudsman to review the case and it has been passed to me to decide.

I approached AXA for its agreement to consider all outstanding matters in relation to the claim under this complaint reference, which it agreed to. I also proposed that a further visit by a surveyor takes place at Mrs M's property to look into all the outstanding concerns and propose a way forward, if appropriate. Both parties agreed to this proposal and the resulting report was then provided to me.

My provisional findings

I issued my provisional findings on this complaint on 28 June 2021. I said I intended to uphold the complaint, for the following reasons:

This claim has been ongoing for many years now and I understand at times, progress hasn't been smooth for either party. I can reassure both parties that I have looked through the considerable submissions related to this complaint and have considered everything that has been said. However, my role is to focus on the main issues which I see to be at the heart of this complaint. I won't therefore be responding in the same level of detail and will concentrate on providing my reasons for my findings:

I've set out under subheadings below my thoughts.

Missing wheelbarrow and ladder

The contractor confirmed it was likely these had been used and taken away, but replacements would be organised. It's unclear if this has happened for either of the items.

I think AXA should establish which items are still missing and pay Mrs M the equivalent cost of replacing them.

Hole in the roof/leaking roof

The report prepared after the recent site visit states the following:

"The concern was raised that any lead flashing installed as part of the roof repairs did not run into the stonework joints. Unfortunately, as any lead flashing is now covered with the cement fillet the only way to be sure is to remove the cement.

Mr W advised that water was seen entering the dining room, but only during periods of heavy rain and when the wind was from a specific direction.

From our observations it is considered possible that the lead flashing has not been dressed correctly as there is a section of cement fillet that seems too narrow to fully cover any lead and no lead could be seen protruding above it. Internally there is evidence of water penetration to the dining room ceiling adjacent to the chimney breast, while damp was noted to the upper face of the dining room ceiling, in the loft area.

Mr W was concerned that the water penetration since the roof was complete could be resulting in the roof timber getting wet and rotting. However, these could not be inspected at the time of our visit.

We recommend that the cement fillet is removed, and the lead flashing detail inspected and any issues made good. If no issues are found, then the water penetration must be coming from the open chimney pot only and no internal works due to damp should be considered. However, if defects to the flashing are noted then the roof timber should be inspected for rot and treated accordingly, while the dining room ceiling would need to be stain blocked and painted".

However, before these works could be undertaken, AXA authorised Mr W to hire someone to fix the internal leak. This meant work was done to the roof in the same area and has now potentially prejudiced the investigation into the cause of the fault.

I've asked AXA to let me know if it still believes it is possible to establish if the flashing was incorrectly dressed but it hasn't responded.

If AXA believes it can still establish this, then I think it is fair that it does so and if required, carries any remedial action as set out in the report cited above.

If it is no longer possible to determine the cause of the leak, then I think the only reasonable way this can be settled is on a 50% basis. I say this because it has been identified, it is possible that poor workmanship by AXA's contractors might be responsible, but similarly the issue may be due to the private work Mr W had done at the same time.

AXA should arrange for an inspection of the roof timber to take place. It should then calculate what it would have cost it to undertake all of the works identified in the report cited above (taking into account the condition of the roof timbers and if they need treating for rot), and pay 50% of this cost to Mrs M.

Chimney left without an elephant's foot

It was agreed during the recent site visit that this related to private works that were undertaken at the property. As such AXA has no liability to replace this or rectify any associated damage caused by it being missing.

Bedroom 4 door

It appears the bedroom door was left without being shaved down so it wouldn't close correctly once the carpet was laid.

To put this right, I think AXA should make a cash payment to Mrs M equivalent to what it would have cost it to send someone out to undertake this work.

Live wires dangling in loft and toilet vent damaged

The report prepared after the recent site visit states the following:

"Mr W advised that he was concerned that the wiring in the loft was not very neat and notches had been cut out of the ceiling joints to run the cable through, which may have compromised the structural integrity. In addition, the steel vent outlet from the bathroom has been squashed by a section of the timber flooring and discharges into the loft.

We were also advised that the light bulb to the dining room blows on a regular basis.

Notwithstanding the above there is a completed NICEIC certificate for the electrical system on our file dated 3rd March 2018.

We recommend that the electrics are checked again, and the toilet vent tube replaced, although we do not believe that the notches in the timber are of any structural concern".

I think it is reasonable to rely on the opinion of experts and therefore I will accept the opinion offered that the notches in the timber aren't an issue.

It is suggested the electrics are tested again, which I think is reasonable. If any issues are found, I would expect AXA to take steps to put them right unless there are any obvious reasons to suggest they are not related to the insured works.

It is also suggested the toilet vent tube is replaced which I think AXA should arrange as soon as possible.

Slate missing on roof

AXA has now agreed this should be replaced.

Gothic window

There's mention the Gothic window in the en-suite was missed from the scope of works. And also, not all of the windows were able to be replaced due to scaffolding blocking them.

In the recent site visit Mr W apparently said he didn't want to pursue the matter of the window, as he was planning on replacing some windows in any event.

However, given this matter is related to the insured event, AXA still has a liability to put things right.

To draw matters to a close I intend to suggest AXA pays Mrs M the amount it would have cost it to fix this window.

Fan not working in bathroom

Mr W raised the fact the fan is no longer working in the bathroom. He says it was replaced but then stopped working. As the fan worked for quite some time after it was fitted, I don't think AXA need to do anything more here.

Dirty loft

The report produced on behalf of AXA says the following:

"We were able to inspect the loft area and noted evidence of smoke residue on the gable walls and main timber beams, which we believe arose from the fire but has not been cleaned off.

The smoke residue does require removal and Mr W has asked a company to clean off the stonework and timber. The loft is also in need of a general tidy up".

Given how long this claim has been ongoing, I think the fairest settlement here would be for AXA to pay what it has cost Mrs M to have this area cleaned and tidied. With interest at 8% simple per annum from the date any payment was made to the date of settlement. Mr W should arrange to provide AXA with an invoice for the work undertaken so it can provide the reimbursement.

If for whatever reason no invoice can be provided, then AXA should pay reasonable costs to Mrs M for this type of work.

Dirty Chimneys

Following on from above, I think it's reasonable to conclude the chimneys were also left dirty

So again, I think AXA should pay what it has cost Mrs M to have this area cleaned, if not already included in the above costs. With interest at 8% simple per annum from the date any payment was made to the date of settlement. Mr W should arrange to provide AXA with an invoice for the work undertaken so it can provide the reimbursement.

If for whatever reason no invoice can be provided, then AXA should pay reasonable costs to Mrs M for this type of work.

Cash settlement for the fitted wardrobes

I understand from the file a cash settlement was taken as it wasn't possible to reinstate the wardrobes in one of the rooms at the time - due to it being made smaller to accommodate the bathroom. The wardrobes were also to be relocated.

Mr W has said it cost considerably more than the cash value to reinstate the wardrobes in just one of the bedrooms, therefore he doesn't think the amount paid is sufficient. I have asked Mr W to provide an invoice for the wardrobe and a formal estimate of what it would cost to reinstate all the wardrobes, but he has not been able to provide this.

Having reviewed everything I can see it's possible that AXA missed bedroom four off of its calculation so it should make sure it has made the correct payment to Mrs M for all four rooms. If there is an outstanding payment, interest of 8% simple per annum should be added from the date it initially made payment to Mrs W, to the date of settlement.

Other than this, I won't be asking AXA to increase its cash settlement for the fitted wardrobes as I've not seen persuasive evidence which leads me to conclude the amount paid is unreasonable.

Induction hob

Mr W raised the fact he asked for an induction hob to be fitted but this didn't happen. While I appreciate Mr W was mindful of the safety of Mrs M. As there wasn't an induction hob in the property before the fire, I can't say AXA has done anything wrong by not fitting one after it.

Cavities weren't cleared out and gable wall painting inadequate

Mr W says the cavities in the wall weren't cleared out after the fire, meaning that there is rubble etc still between them. He also mentioned soot can still be seen under the paintwork.

During the site visit it was recommended the left-hand gable wall cavity be inspected by removing some of the external masonry and any debris cleaned out, while noting the rendering requires further painting.

I think these recommendations are reasonable and as such AXA should take them forward.

Damp in the bedrooms and ruined carpets

Mr W said that he had to replace the carpets in the bedrooms only a few months after they were laid as the walls were still damp and the carpets were ruined. Mr W puts this down to the fact the building was open to the elements and the water used to extinguish the fire. He doesn't think the walls were properly dry and in addition, the cavities weren't cleared out before the roof was reinstated.

The report from the latest site visit suggests that this was a possibility. Due to the thickness of the walls it is possible they weren't sufficiently dry before redecoration took place.

I accept the location of the property near to a water source means that there will always be a certain degree of moisture, indeed this was mentioned on the drying certificate. However, based on what Mr W has said, the fact the carpets had to be replaced so soon after they were fitted and there hasn't been a reoccurrence of the same issue. I'm persuaded by what he has suggested was the cause of the damage to the carpets.

If Mr W is able to provide AXA with invoices of what it cost to have the carpets replaced, he should provide these to AXA, and it should reimburse the costs.

If no invoices are available, AXA should pay Mrs M what it would have cost it to replace the carpets.

Two smashed cabinets

Mr W wanted to salvage two cabinets from the property however it was not in a safe condition for them to be removed. Due to the unstable nature of the building and the works that were being undertaken at the time to make the site safe, part of the ceiling collapsed smashing the two cabinets in question. I understand the cabinets had sentimental value, but I don't think AXA did anything wrong by preventing Mr W from accessing the site. As was proven by what happened, the building was unstable, and AXA had a duty to prevent unauthorised access to it.

It is unfortunate the cabinets couldn't be moved before they were damaged. AXA accounted for the cost of the cabinets in the contents payment it made to Mrs M, so I won't be asking it to do anything more here.

Under insurance

I can see there was some communications around this matter between the parties which caused some concern to the late Mr M and Mrs M. Ultimately it was concluded this wasn't an issue as the contents payment was below the policy limit.

AXA is entitled to undertake investigations to ensure the property and its contents have been correctly insured. And, I would have expected AXA to set out what would happen if the contents had been found to have been uninsured.

I realise this would have caused some concern and worry, but I don't think AXA did anything wrong here by undertaking the checks it did.

Contents value

Mr W has mentioned he's unhappy some items on the list he produced weren't paid for and others were reduced in value.

Having looked at what was paid, I can see deductions were correctly made for wear and tear, reasonable value adjustments were made to some items and others which were not covered under the contents were removed from the list.

I think AXA have acted reasonably here, so I don't intend to do anything further.

Letters Addressed to Mr M, after he had passed away

I can see that the final response issued in February 2019 was addressed to Mr M when AXA had been notified in October 2018 that he had passed away. This would understandably have been distressing for Mrs M and I think some compensation is due for this. I have taken this into consideration in my compensation award set out towards the end of this letter.

Patronising communications

Mr W has raised the fact he thinks he was spoken to in a patronising way. I've seen lots of correspondence on this case with communications that I think could have been phrased better by both parties. Given the long running nature of the claim, I think it's understandable at times, emotions ran high. However, I've not seen anything that specifically leads me to think compensation is due here.

Overall service

I can see Mrs M was given £750 compensation in August 2018 to reflect the fact matters hadn't gone smoothly up to this point – which I think is reasonable.

However, it's clear from the above, quite a few issues remained outstanding on the claim and further avoidable distress was caused to Mrs M. So, I intend to suggest a further £300 compensation is paid to reflect that.

Policy renewal

Separately, I understand Mrs M's policy didn't renew with AXA. Mrs M's policy was set up through a broker. It appears AXA didn't receive any response from, or on behalf of Mrs M and therefore her policy didn't renew. I don't think AXA did anything wrong here.

If Mrs M has concerns about how her renewal was dealt with, she will need to contact her broker and raise this.

Reponses to my provisional decision

Mr M responded saying he accepted the provisional decision and made the following points for me to consider:

- The wheelbarrow was missing and ladder damaged so he accepts AXA will pay to replace these.
- The internal leak caused by the missing elephant's foot has now been rectified. It is now the external leak relating to issues with the roof and chimney which AXA need to look at. He thinks they should still be able to undertake investigative work. If rectification work is required, he wants AXA to complete this as it is very difficult to find the required skilled tradesperson.
- He is happy to take a cash settlement for the gothic window repair.
- He was frustrated that the loft was left in such a state, he says it smells and is a constant reminder of the fire.
- My wording of 'dirty chimneys' should be changed to reflect the fact it is more the lintel and masonry above - so the fire surround and adjoining wall.

- The amount AXA has paid for the fitted wardrobes isn't like for like. He will arrange for a quote to be sent. Having had a discussion with the company that refitted one of the wardrobes, he thought it would cost around £5,000 for the rest.
- He would want AXA to undertake the work to clear out the cavities and repaint the gable wall.
- He has provided an invoice for the carpets.
- It is still upsetting the cabinets were smashed and care wasn't taken of them.
- Mrs M hasn't received the full payment for the contents settlement.

AXA responded saying it accepted the majority of my provisional decision and made the following points for me to take into consideration:

- Wheelbarrow / ladder – It will discuss with Mr W and ascertain appropriate costs.
- Hole in the roof / leaking roof – it may well be possible to still investigate to see if the flashing has been dressed correctly. A site visit will be arranged.
- Bedroom 4 door – It will make a payment of £150 to Mrs M for this.
- Live wires dangling / toilet vent damaged – this will be progressed.
- Slate missing on roof –this will be replaced.
- Gothic Window – once a site visit has taken place to ascertain the value of the window, this amount will be paid to Mrs M.
- Dirty loft and Chimney surrounds – it will await the invoices from Mr W and add interest at 8%.
- Fitted wardrobes – settlement was based on the provisional sum allocated – suggest that all costs are checked at the site meeting and if an accurate like for like costs can be ascertained the difference paid plus 8% interest.
- Cavities – to be inspected by the contractor to ascertain if additional work to this area is required.
- Damp in bedrooms and ruined carpets – comments noted but given that this is a very old building there may well be an inherent damp issue, and this has been previously raised. Suggest further investigation is required.
- Contents – A mandate has been sent to Mr W to enable future payments to be issued directly to him.

I've now reconsidered the case and all of the comments that have been made in order to reach my final decision

My findings

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

Both parties agree on most of the points that have been made in my provisional findings, and because of this I don't see any reason to depart from them or address them here again. Instead I'll focus on the areas where additional comments have been made.

Mr W has said that he would like AXA to undertake any of the work required to the chimney/roof and cavities. Given the location of the property and the difficulty he has had previously in getting skilled tradespersons out, I don't think this is an unreasonable request and I think it is one that AXA should consider.

I note Mr W's comments about my reference to dirty chimneys, I did this purely for summary purposes and I do recognise that it is the fire surrounds and adjoining walls which may also require cleaning. I expect AXA to act reasonably here in paying what it costs to have these areas cleaned.

AXA has suggested the costs for like for like replacement fitted wardrobes can be checked at a site meeting and any additional payment agreed then. Mr W has also provided an outline of what was there originally, and a provisional estimate of £5,000 based on a conversation he has had with the company that previously fitted out one of the bedrooms. Mr W is also arranging for a quote for replacements to be obtained. AXA's liability here extends to the cost of providing a like for like replacement. I think AXA's suggestion of a possible resolution here is reasonable and I will leave the parties to sort this out between them following this decision.

The only issue where settlement has not been reached is regarding the ruined carpets. I'm mindful of AXA's comments here about the age of the property and potential inherent damp issues, however I did take this into consideration when making my provisional decision. I don't think it would be reasonable for further investigation to be undertaken here, as I don't see what value it will bring at this late stage and will only serve to prolong the matter further. So, for the same reasons as set out in my provisional decision, I direct AXA to pay Mrs W what it cost her to have the carpets replaced. Mr W has been able to provide an invoice for this so AXA should reimburse this amount plus 8% interest.

Having considered everything, my decision remains that Mrs M's complaint should be upheld, and AXA need to take action to put things right.

Putting things right

To summarise, AXA should do the following:

- Pay Mrs M the equivalent cost of replacing the wheelbarrow and ladder
- Undertake an investigation into the cause of the leaking roof and undertake any remedial action – as set out in the appropriate section above and in the site visit report.
- Pay Mrs M £150 cash settlement in respect of shaving down the door to bedroom 4
- Check the electrics and take steps to put any issues right unless there are any reasonable reasons to suggest they are not related to the insured works.
- Replace the toilet vent tube
- Replace the missing slate on the roof
- Pay Mrs M the amount it would have cost to fix the gothic window
- Pay Mrs W what it has cost her to clean the dirty loft, masonry, walls and chimney surrounds, plus interest at 8% simple per year from the date of payment to the date of settlement –. If any of this work remains outstanding it should either arrange for it to be completed or pay Mrs M reasonable costs to enable the work to be done.
- Pay reasonable costs for the fitted wardrobes to be replaced on a like for like basis and indemnify Mrs M in line with the policy terms and conditions. The amount paid should be based on an assessment at a site visit and any further information Mr W can provide. Any outstanding payment should include interest at 8% simple per annum and should be added from the date it initially made payment to Mrs W, to the date of settlement.

- Arrange for the cavity walls to be inspected by removing some of the external masonry and clearing any debris out. Repair and make good masonry once the work has been completed.
- Repaint the rendering where required and as recommended in the site visit report.
- Pay Mrs M what it cost her to have the bedroom carpets replaced including 8% interest per year from the date of payment to the date of settlement
- Arrange for any outstanding payments for the contents settlement to be paid to Mrs M or whoever she requires on her behalf.
- Pay Mrs M £300 compensation

my final decision

My final decision is that I uphold Mrs M's complaint against AXA Insurance UK Plc. I direct it to put matters right as I have set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 30 August 2021.

Alison Gore
Ombudsman