

The complaint

Mr D complains about how long it took AXA Insurance UK Plc to deal with his motorbike insurance claim after he had an accident abroad.

AXA are the underwriters of this policy, i.e. the insurer. Part of this complaint concerns the actions of its agents for which AXA has accepted responsibility. Any references to AXA include the actions of its agents.

What happened

Mr D held a motorbike insurance policy underwritten by AXA.

Unfortunately, in the summer of 2023, Mr D had an accident abroad in which he was injured, and his motorbike was damaged. He returned to the UK and made a claim to AXA.

AXA arranged for the motorbike to be brought back to the UK, where it was assessed and written off due to the extent of the damage. So AXA settled Mr D's claim by paying him the market value of the motorbike.

During the claim, Mr D raised a complaint. He said he was having to chase for updates and was being passed between AXA and the agent AXA chose to arrange the motorbike's repatriation. He felt the process was taking too long.

AXA said its agent was responsible for the repatriation, so it referred Mr D's complaint to them. But Mr D said he didn't receive a response to his complaint from the agent, so he referred his complaint to the Financial Ombudsman. He thought a fair outcome would be for AXA to refund his policy excess of £350 to recognise the trouble and upset he'd been caused.

Having reviewed the complaint, I issued a provisional decision to both parties. In it I said:

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 agree that this complaint should be upheld but I'm intending to award more compensation than our investigator recommended. I'll explain why.

The relevant rules and industry guidelines say an insurer should handle claims promptly and fairly. So, I've had to decide whether AXA dealt promptly with Mr D's claim and, if it didn't, what steps AXA should take to put things right.

I've reviewed the available evidence to understand how the claim has been handled.

AXA was first notified of the claim on 31 May 2023 and its agent got in touch with Mr D on the same day. But it took around two weeks for AXA's agent to approach a repatriation company for a quote for the operation. I can't see anything to explain this delay. During this time, Mr D was being chased by the local police who were in

possession of the motorbike. While Mr D did provide AXA's agent with the motorbike's latest location on 14 June, I think this could have been obtained sooner if AXA had been proactive in locating the motorbike, for example by contacting the local police.

The repatriation company then provided a quote on 16 June and said the operation would take 10 to 14 working days. So, I would have expected to see the operation completed by early to mid-July. However, it took until mid-August for Mr D's bike to be returned and processed. I've looked to see what caused this delay.

On 21 June, AXA's agent told Mr D that they'd started the repatriation of his motorbike and they asked him for a copy of his V5C document. Mr D has shown that he provided this on the same day. However, I can't see that anything happened until 10 July when the agent sent the repatriation company a job order to begin the operation. I've seen a copy of this email and it said that a copy of the V5C was attached, however, the agent later re-sent the V5C to the repatriation company on 19 July, which suggests this hadn't been sent the first time. Mr D has also provided a complaint email he sent to the agent on 10 July, where he expressed his frustration:

"I have just spoken to colleague of yours about my claim who said you only received the v5 document on the 28th of June and have just sent it to the repatriation company, as you are aware I sent the document to you on the 21st of June, it is nearly 6 weeks since I first contacted you and yet you haven't even repatriated my bike with excuses like no one speaks [the foreign language]. I have received a disgraceful service from your company and please understand this is an official complaint."

Then I can see the repatriation company asked AXA's agent to have Mr D provide some further documentation – which Mr D has shown he did around an hour after the agent contacted him. But the claim notes don't indicate any further activity between 19 July and 15 August, except an email to Mr D on 24 July, which I haven't been provided with. I presume this period was when the operation took place. Finally, on 15 August, I can see the agent gave Mr D a valuation for his bike, which Mr D accepted.

I recognise that vehicle repatriation missions can be complex and take time. And I think it's fair for AXA and its agents to be afforded a reasonable amount of time to carry out the steps involved. But from the evidence I've seen, there were periods of time where meaningful progress doesn't appear to have been made, or mistakes led to meaningful time being lost. Overall, I think the claim took around a month longer than it should have done. So I'm not persuaded AXA and its agents did enough to handle Mr D's claim promptly or fairly.

Mr D has said he had to chase AXA for updates after he didn't hear back from its agent. AXA wasn't able to provide updates because it had delegated the matter. And I can't see much in the way of updates provided by the agent in the correspondence I've seen. So I can understand why Mr D felt frustrated and caught between the two companies.

I think the above delays would've caused Mr D additional stress at a vulnerable time while he was recovering from his injuries. And I think the difficulties receiving updates and the administrative mistakes would have caused him further frustration and inconvenience. So I think it's fair that AXA pays Mr D some compensation to put that right. I think £250 is an appropriate amount.

I understand this may be disappointing for Mr D because he'd like AXA to refund his £350 excess. Our compensation award bands are published on our website and the kind of award I'm intending to make here is for cases where the impact of a firm's mistake causes some distress and inconvenience. I don't think a higher award is justified. I say that because I'm not persuaded the poor communication or the specific delays I'm holding AXA responsible for caused Mr D considerable distress, upset or worry. So I think £250 is a fair amount.

I can also see AXA experienced a delay paying Mr D his claim settlement and it offered him £200 compensation as part of a separate complaint. I can't see that Mr D has referred this particular issue to our service, so I haven't considered it in my decision.

I set out what I intended to tell AXA to do to put things right and asked both parties to send me any further evidence or arguments they wanted me to consider. Both parties accepted my provisional decision so I now think it's appropriate to issue my final 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.

In light of the fact that both parties agree with the findings set out in my provisional decision (which I've reproduced here and which forms part of this final decision) I'm satisfied that those findings represent an appropriate way to resolve this dispute.

Putting things right

To put things right, AXA must pay Mr D £250 compensation for distress and inconvenience, if it hasn't already done so.

My final decision

My final decision is that I uphold this complaint. I direct AXA Insurance UK Plc to pay Mr D compensation as detailed above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 7 June 2024.

Chris Woolaway
Ombudsman