

The complaint

Mr and Mrs K complain that AXA Insurance UK Plc (“AXA”) failed to adequately progress a claim made for subsidence damage.

What happened

In June 2021 Mr and Mrs K made a claim for subsidence damage and this was allocated to AXA’s loss adjusters to validate. Mr and Mrs K say that for over a year there was no progress and poor communication. So they raised a complaint about the delays, among other issues.

In its response to the complaint in November 2022, AXA apologised for the delays and other issues and offered a total of £925 compensation for the frustration it had caused. AXA also offered further compensation in a final response letter dated February 2023 – but I’m unable to comment on the issues dealt with in either of these letters as Mr and Mrs K didn’t refer their complaint to this service within six months of the date of those responses.

So my decision focuses on the issues dealt with in the November 2023 final response letter, in which AXA offered a further £325 for poor service and delays. Mr and Mrs K didn’t accept AXA’s response, saying it didn’t address the key points of mismanagement of the claim, poor communication and lack of information sharing. So they referred their complaint to this service.

Our Investigator considered all the issues but thought AXA had done enough to compensate Mr and Mrs K for the problems they’d experienced. Because Mr and Mrs K didn’t agree with our Investigator’s assessment, the complaint has now come to me to decide.

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’ve decided not to uphold this complaint. I’ll explain why.

As I’ve mentioned, I’m prevented from considering any issues which were addressed in the earlier two final response letters from AXA, because the complaint wasn’t referred in time to us. But I can consider what AXA addressed in the November 2023 final response letter, which includes the delays in progressing the claim, and poor customer service.

And looking at the timeline of events, I’m satisfied that there were numerous delays from February 2023 until November 2023. For example, the time it took for the monitoring readings to be analysed and for further progress to be made was excessive and it should not have taken several weeks for readings to be considered by a specialist and for the next steps to be determined.

I also think that more frequent updates should’ve been given to Mr and Mrs K, as they were only updated once during this period, from what I’ve seen.

In June the monitoring was extended until the end of the year based on what the data showed. But it wasn't until September that Mr and Mrs K were told that further monitoring was needed. I find this to be an excessive length of time for AXA to pass on basic information. There was also a loss of expectation, as Mr and Mrs K were told a start date would be arranged – but more monitoring was actually required at this point. In total, the avoidable delays in this case total 165 working days.

Taking all the delays and poor communication into account, I consider the amount Mr and Mrs K have been offered to be fair and reasonable in the circumstances. This is because from everything I've seen, they have experienced considerable disruption and inconvenience which has taken many months of extra effort to sort out.

Mr and Mrs K have told us about the problems they've had with re-mortgaging their property, but I'm afraid this isn't something I'm able to hold AXA liable for because I don't have enough information or evidence to be able to say whether the problems they're experiencing are due to the actions of AXA, or the fact the property has suffered from subsidence, or any other factors.

Mr and Mrs K have also mentioned, in response to our Investigator, that there are ongoing problems – but I haven't addressed those because I'm limited to looking at issues that happened from February 2023 until November 2023 due to the time limits that apply to referring complaints to this service.

If Mr and Mrs K have complained to AXA about the ongoing problems, then they will be able to refer a new complaint to this service subject to the usual rules and time limits that apply.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K and Mrs K to accept or reject my decision before 6 September 2024.

Iffrah Malik
Ombudsman