

The complaint

Mr and Mrs T have complained about the way that AXA Insurance UK Plc handled a claim under their contents insurance policy.

References in this decision to AXA include its agents.

What happened

Mr and Mrs T made a claim to AXA after the block of flats where they live suffered damage from a fire. Further damage was caused by the water used to put out the fire.

AXA appointed a loss adjuster to manage the claim and an agent to remove and restore the damaged contents. Mr and Mrs T say that when their belongings were returned to them, it turned out that eleven of the twelve boxes contained items which didn't belong to them. When they did receive their boxes, they noticed that not all their belongings had been returned. They also said some of the items that they had received were covered in mould, rust and smelt of smoke. It also wasn't clear to them whether electrical items had been tested.

AXA accepted that there had been a mix-up with the boxes and said it had asked its agent for confirmation that the electrical items had been tested. It awarded £400 compensation for this.

AXA also said its agent would be in contact regarding the missing and damaged items. It awarded a further £400 for this aspect of the complaint.

Mr and Mrs T brought their complaint to this service. Our Investigator didn't recommend it be upheld as she thought AXA's offer of compensation was reasonable.

As Mr and Mrs T didn't agree, the matter has been referred to me.

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.

I'm aware that this claim is still ongoing. In this decision I am only looking at how AXA handled the claim from 22 November 2022 to 30 January 2024, being the date of AXA's final response to this complaint. In its final response AXA confirmed that it had asked its agents to investigate the position regarding the missing and damaged items. I would like to clarify that I don't have any evidence regarding that and so I can't make any findings regarding those items. What I can say is that I think it was reasonable for AXA to offer to look into the matter.

What I am looking at is the impact on Mr and Mrs T of the mix-up with the boxes of belongings, concerns that some of their items might be missing and not knowing whether the electrical items returned to them were safe to use.

It's not in dispute that Mr and Mrs T received items from AXA's restoration company that didn't belong to them. It's fair to assume that if they received the correct number of boxes overall, some of their items must have been missing at that stage. It's not surprising that they lost confidence in AXA's agents and started to worry about whether they'd get everything back properly restored. Naturally after a fire they would also want reassurance that their electrical equipment was safe to use.

AXA arranged for the boxes of other people's belongings to be collected. It's likely that would have resulted in further inconvenience to Mr and Mrs T.

It's fair to say that AXA has made this claim worse than it needed to be for Mr and Mrs T. But to its credit AXA has recognised that. It has paid or offered a total of £800 in compensation for its poor service. I believe its offer was fair for a situation where the impact of a business's mistake has caused considerable upset and worry over a prolonged period. It's in the region of what I would have made AXA pay if the offer had not been made. So I don't consider there are any grounds for me to require AXA to pay any more compensation.

If Mr and Mrs T have further concerns about the way their claim has been handled since the end of January, they can raise these with AXA and if they're unhappy with the response, they can ask us to look at any new complaints.

My final decision

For the reasons set out above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs T to accept or reject my decision before 5 August 2024.

Elizabeth Grant
Ombudsman