

## **The complaint**

Ms D complains about delays by AXA Insurance UK Plc dealing with a claim on her buildings insurance policy

## **What happened**

Ms D took out a building insurance policy in December 2020 after she inherited a house from her parents. She renewed the policy in December 2021.

She instructed builders to carry out some work and when they removed the render from the walls in order to re-render the house, the exposed walls were found to be in very poor condition. They advised Ms D they couldn't continue with the proposed work.

Ms D obtained a report from an architectural and planning consultant. This set out the extent of the problem and said a large section of the building would need to be rebuilt

She made a claim in June 2022. AXA said it would look into the claim and instructed loss adjusters. A surveyor attended in July 2022. Ms D expected to hear from AXA about the claim following this but there was little progress. She contacted AXA over the following months asking for an update.

In December 2022 AXA emailed Ms D saying its underwriting team was making a decision on the matter.

Ms D was unhappy about the delays and complained. AXA issued a response to her complaint in January 2023, which said:

- Loss adjusters were appointed in June 2022, when the claim was made. They referred it back to the Claims Team following concerns the damage may have started before the policy was taken out. This prompted further investigation.
- It was necessary to validate the claim and carry out the investigation, but there were some periods with little progress due to miscommunication between AXA and the loss adjusters.

AXA paid compensation of £75 to Ms D for the distress caused by this.

There was then further correspondence with Ms D. AXA explained that it needed clarification about the answers she had given about the property when she bought the policy. Ms D provided her comments on this. In May 2023 an email was sent to Ms D saying the loss adjusters would be in touch with her.

As Ms D still hadn't been given a decision on the claim she made a further complaint. AXA issued a response in July 2023, saying:

- It had followed the correct process and the loss adjusters couldn't deal with the claim without a decision from the underwriters. But underwriters had caused delays, which affected the communication with Ms D.

- The Claims Team had been asked to review all the information and see if it could make a decision.
- She could make a further complaint if she was unhappy with the decision, once it was made.

AXA made a further payment of £475 to Ms D in respect of the ongoing distress and inconvenience.

When our investigator considered the complaint she said:

- She couldn't tell AXA what to decide but it was unreasonable that a decision had not yet been made. There have been avoidable delays and a lack of communication.
- Ms D had to chase AXA and still hadn't had a decision on the claim. But AXA had paid compensation of £550 which was reasonable.

Ms D remained unhappy and requested 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.

The relevant industry rules and guidance say insurers must deal with claims promptly and fairly; provide reasonable guidance to help a policyholder make a claim and appropriate information on its progress; and not unreasonably reject a claim.

This complaint only concerns events up to the complaint response AXA issued in July 2023. AXA has accepted there were avoidable delays up to then. It would always have taken some time to consider the claim but after a year Ms D still didn't know how the claim would be dealt with. She should not have had to wait so long.

Ms D says she provided any information requested of her but nothing happened and she didn't know why communication between different departments was taking so long. And she's explained that the delays caused a lot of stress and worry, which has got worse the longer it has gone on.

AXA has acknowledged this and paid compensation adding up to £550. Thinking about the impact on Ms D of the delays, I appreciate it would have been very worrying for her. Ms D naturally wanted to know if the insurance would cover the cost of all the work that would be needed. And she was put to the trouble of having to chase AXA for updates over many months. She wasn't, however, living in the property so it wasn't affecting her daily life in the same way it would have if this had been her home.

There were failings by AXA but it has taken steps to address this. Taking all the circumstances into account I think the compensation is fair.

As explained, this complaint doesn't cover anything that's happened since July 2023. I don't know what has happened since then but if Ms D has any further concerns she can make a fresh complaint. With regard to the period covered by this complaint I don't think AXA needs to do any more.

### **My final decision**

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms D to accept or reject my decision before 23 May 2024.

Peter Whiteley  
**Ombudsman**