

The complaint

Mr U complains about AXA Insurance Plc's handling of his buildings insurance claim.

All references to AXA also include its appointed agents.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my decision.

My decision covers events up to the date AXA issued its final response to Mr U's complaint in April 2023. Any reference to events following this are for the context of addressing this complaint only.

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'm upholding the complaint for these reasons:

- The claim was made in December 2022. But Mr U raised issues regarding the drying of the property around three months later, in February 2023, as it was still wet.
- Only one dehumidifier was present at the property. And when considering the size of the affected area and that some screed had been removed, this wasn't likely to dry the property in a timely manner. So, I can understand Mr U's frustration and concern at the slow progress. And I think AXA could've done more here.
- I can see also there was a disagreement between AXA and one of its contractors regarding whether some of the works were complete, but this issue appears to have become evident after AXA's final response. So, I haven't considered this matter further as part of this complaint.
- AXA accepted it could've been more proactive in its handling of the complaint. Its accepted it delayed appointing contractors and validating the claim. And as I've set out above, I think it could've done more when addressing the initial drying at the property.
- The claim could've been progressed quicker, therefore causing some avoidable delays, and Mr U had to regularly chase AXA for it to be progressed in its early stages. AXA has offered Mr U £200 compensation but considering what I've set out here, I think £350 more fairly reflects the inconvenience and impact of AXA's actions.
- I understand Mr U feels very strongly about what has happened and I appreciate why he considers I should award a significant amount of compensation. However, the role of this service isn't to make punitive awards and compensation awards aren't linked to the potential value of a successful claim, so I'm satisfied the award I've set out above is fair and reasonable.

- I acknowledge one of Mr U's main concerns relates to the loss of rental income at the property while it has remained uninhabitable. And I can see the policy provides cover for loss of rental income.
- AXA said it would consider loss of rental income on production of sufficient evidence, such as Mr U providing accounts relating to the rental property for the same period in previous years. I don't think this is unreasonable as it would be for the policyholder to demonstrate they have a valid claim for the loss of rent in question.
- Mr U provided a list to our service he says shows upcoming bookings at the property - for the period covered in this complaint. I've considered this, but it doesn't show confirmation of the bookings – like an invoice or online form would. And I can't see anything that shows Mr U has provided AXA with the information it requested – which as I've set out above, I don't think was unreasonable for AXA to request in order to validate a potential claim..

Putting things right

To put things right AXA Insurance Plc should pay Mr U £350 compensation.

My final decision

My final decision is that I uphold Mr U's complaint.

To put things right I direct AXA Insurance Plc's to do as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr U to accept or reject my decision before 22 November 2023.

Michael Baronti
Ombudsman