

The complaint

Mr D complains that AXA Insurance UK Plc haven't taken into account that electrical testing and repairs are required when they completed the scope of works following water damage to his kitchen.

What happened

Mr D held a buildings and contents insurance policy with AXA.

In October 2022 Mr D had a leak from his bath waste which leaked through to the kitchen ceiling underneath causing damage. He notified AXA straightaway.

In December 2022 Mr D contacted AXA again as no assessor had been sent.

AXA's loss assessors visited the property and completed a scope of works in January, and a cash offer was made to Mr D on the basis of that report.

Mr D wasn't happy with the scope of works that AXA's contractors prepared as he said it hadn't included assessing damage to the electrical installation – and that if electrical work was required - which he says it was - there would be additional costs which hadn't been covered in the scope.

Following his complaint, AXA explained that there was an amount in the scope for electrical testing, and if work was required following the testing, they would consider it. Mr D was offered £200 compensation for distress and inconvenience caused, including delay.

Mr D was unhappy with this response as he said that it highlighted the inadequacy of the original scope of works, which also failed to include making good the plaster and wallpaper, and so he brought his complaint to us.

One of our investigators looked into Mr D's complaint and he thought that AXA had made a fair offer.

Mr D disagreed with our investigators view, and so the case has come to me to review.

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 January 2023 AXA's contractors prepared a scope of works which included "Full electrical test" and replacement of light fittings.

On the basis of this scope, a cash settlement of £2814.28 plus VAT and minus the policy excess was offered, the offer being to include an electrical inspection. In the alternative, Mr D was able to ask AXA to appoint one of their approved contractors to complete the work.

Mr D felt unable to accept the cash settlement offered as he didn't think it would be adequate and thought the electrics needed testing and the scope extending to include electrical work and any consequent repairs before he could accept it.

In their final response in April 2023, AXA told Mr D that the scope of works and the cash settlement offered allowed for electrical testing. If after electrical testing further work was necessary, they were happy to consider that. They confirmed that they hadn't declined that aspect of the claim and were happy to instruct their own electrical contractor if Mr D preferred. They also offered a further £200 for distress and inconvenience caused and arranged for this to be paid.

Mr D says that the lighting circuit and the mounted power outlet were inoperable due to water ingress and he was unhappy with the assessment process because he said that there was no point in doing the electrical assessment after the repairs had been done, it was logical to complete it beforehand. He also said he had been left for months with open circuits in the ceiling space.

He then further commented that he thought that the coving would need to be removed as well as the wallpaper, and that was likely damage the plaster, so the scope needed to include these items.

Mr D has told me that he has a background in electrical work, and so I understand why he considers that it is important to get the electrics assessed as part of, and before the remedial work is completed. I don't disagree with him. However, I don't think that AXA have declined to do so. The scope of works includes an allowance for electrical testing, and if Mr D accepts this initial offer, he can choose to get the testing completed first, and then submit evidence to AXA of the additional electrical work that needs completing. Alternatively he can ask AXA to appoint an electrical contractor to do this work as well as the remedial work. AXA have already said that the lights are faulty and need replacing.

So, I don't think that AXA have treated Mr D unfairly in their offer – there is no refusal to assess and pay for any electrical damage if it is required. I understand Mr D's point that there is no point in doing the electrical testing after the remedial work is completed, as it may mean redoing some of the plastering – but I can't see that AXA have suggested that it should be done after, and if Mr D chooses to take the settlement, he can choose when to do the electrical testing.

AXA have paid Mr D £200 for the distress and inconvenience, including the delay in sending an assessor, and I'm satisfied that this is a fair offer given the delay of two months.

My final decision

My final decision is that I'm not upholding Mr D's complaint and so AXA Insurance UK Plc don't need to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 25 August 2023.

Joanne Ward
Ombudsman