

The complaint

Ms B complains AXA Insurance Plc handled a motor insurance claim poorly.

What happened

In January 2020 Ms B was involved in a collision with a third-party. She informed her motor insurer, AXA. It said it would gather CCTV footage and a police report as evidence that she wasn't at fault. Three years later AXA notified Ms B the third-party was taking legal proceedings against her policy. It said it hadn't collected the supporting evidence as agreed.

AXA responded to a complaint from Ms B. It accepted it had failed to secure any CCTV footage of the incident and witness details from the Police. It accepted it had made mistakes. AXA acknowledged that Ms B shouldn't be financially impacted by its failure. So it said that whatever the outcome of any court case the claim would be marked as non-fault and have no impact on her no claims discount (NCD). It also offered £500 compensation.

Ms B wasn't satisfied with the compensation so came to this service. She says it doesn't reflect the level of stress she's experienced because of AXA's poor handling of the claim.

Our Investigator acknowledged AXA had accepted it failed to deal with the claim appropriately – and had confirmed it would ensure Ms B wouldn't lose out financially as result. But he felt its offer of £500 compensation wasn't enough to recognise the impact on her. So he recommended it pay her a total of £750.

AXA accepted that outcome. As Ms B didn't the complaint was passed to me to decide. She said £750 wasn't enough considering the prolonged nature of the case and significant distress and inconvenience it caused her.

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.

As this is an informal service I'm not going to respond here to every point or piece of evidence Ms B and AXA provided. Instead I've focused on those I consider to be key or central to the issue. But I would like to reassure both that I have considered everything provided.

I'm pleased to see AXA acknowledged its mistakes and took steps to put thing right for Ms B. I agree she shouldn't lose out financially because of its poor handling of the claim. It accepts its actions have had a detrimental impact on its ability to defend the claim from the third-party. It's good to see it committed to Ms B not losing out financially as a result.

I've considered Ms B's comments on the compensation recommended by the Investigator. But I agree that £750 is a fair amount to recognise the non-financial impact on her. I note she may be required to attend court. I accept that will involve a level of stress and

inconvenience. I've also considered the inconvenience AXA's poor claim handling caused her – including needing to gather evidence herself.

I've also considered a significant event and health impacts she's referred to. I accept the event would have been a very difficult time for her. But it's difficult for me, based on what I've been provided with, to say AXA's actions were responsible for it happening or her other health concerns.

Overall whilst AXA did make mistakes, its acceptance and response has been positive. Its actions have caused Ms B unnecessary distress and inconvenience. But I'm satisfied £750 is a fair amount to recognise the impact on her. So I'm not going to require it to pay her anything extra or to do anything differently.

My final decision

For the reasons given above, AXA Insurance UK Plc must pay Ms B a total of £750 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 9 January 2024.

Daniel Martin
Ombudsman