

The complaint

Mrs P complains about how AXA Insurance UK Plc trading as Swiftcover ('AXA') handled her motor insurance claim.

Mrs P is represented in this complaint by her husband - Mr P who is a named driver under the policy. In my decision I'll only refer to Mrs P as she was the policy holder.

What happened

The background to this complaint is well known to Mrs P and AXA. In my decision, I'll focus mainly on giving the reasons for reaching the outcome that I have.

Mrs P was involved in an accident on 22 September 2022. AXA became aware of the accident following contact from the third party on 13 October 2022. When the car was eventually due to be brought in for repairs in December 2022, it wouldn't start. AXA later offered to cash settle the claim.

Mrs P complained to AXA. She was unhappy with the time taken and not being provided with a courtesy car. Mrs P says how AXA have handled this claim has caused her family to go into debt (around £3,000) – as they relied on the car for her husband to be able to work.

AXA partially upheld the complaint and offered £250 for Mrs P not being provided with a courtesy car.

Mrs P remained unhappy and referred her complaint to our Service for an independent review. Our Investigator, most recently, partially upheld the complaint. As Mrs P didn't accept the recommendation, the complaint has been referred to me for a final 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.

Although a number of issues have been raised, my decision only addresses those issues I consider to be materially relevant to this complaint. This isn't meant as a discourtesy to either party – it simply reflects the informal nature of our Service.

Mrs P had another complaint with our Service that is closed. The relevant final response letter for this complaint addressed the issues surrounding the courtesy car, service provided and the time taken for repairs. That's what my decision will consider. I've outlined my key findings that are material to the outcome of this complaint below:

- Mrs P says that the issue with the car not starting happened following the accident. It was positive for AXA to arrange a recovery agent to collect the car and deliver it to the repairer.

- AXA's diagnostic tests suggested that the engine issue was not accident related - as the accident was a low impact incident and the car had been driven after the accident. Based on what I've seen and the time frame of events here, this was a reasonable position for AXA to take.
- There was a separate issue of the standard of the previous repairs. It's reasonable that AXA carrying out related repairs or interfering with those repairs could have impacted any guarantee the initial repairer had in place. Overall, I find it was fair of AXA to offer a cash settlement given the circumstances of this claim. AXA offered Mrs P the option of having a specialist diagnose the issue and they'd reconsider any new evidence. This was fair and reasonable.
- Mrs P refused the cash settlement and instead wanted AXA to arrange repairs. This resulted in a deadlock and a delay to claim settlement. AXA incurred additional storage costs during this time but it's fair they aren't passed on to Mrs P.
- I find that AXA have delayed this claim and Mrs P lost out by not having use of a car. Following our Investigator's assessment, AXA offered a total of £1,145. This was formed of £25 per day x 21 days (from 22 December 2022) and £10 per day for the period 12 January 2023 – 23 March 2023. I consider this a fair and reasonable offer in line with the policy terms.
- £150 was already paid to Mrs P for the lack of courtesy car availability and £100 for service and communication issues. I find this doesn't go far enough to recognise the impact on Mrs P. I find the total of £400 recommended by our Investigator to be fair, reasonable and proportionate.
- Mrs P has said AXA's actions caused her a consequential loss of around £3,000. I've noted the bank statement snippets and supporting witness statements. But I'm not sufficiently persuaded that AXA's actions are the direct cause of the additional losses Mrs P is claiming - nor have I seen sufficiently persuasive evidence that she took reasonable steps to mitigate her losses. For example - by arranging alternative transport or considering hiring a car and claiming the costs back from AXA.

My decision will disappoint Mrs P, but it brings to an end our Service's involvement in trying to informally resolve her dispute with AXA.

Putting things right

AXA Insurance UK Plc trading as Swiftcover need to – if they've not already done so:

- Pay Mrs P a total of £400 (including any amounts already paid) compensation for the impact of their actions when handling the claim; and
- Pay Mrs P a total of £1,145 in relation to a courtesy car not being provided.

My final decision

My final decision is that I partially uphold this complaint. AXA Insurance UK Plc trading as Swiftcover need to follow my direction as set out under the heading 'Putting things right'.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 8 January 2024.

Daniel O'Shea
Ombudsman