

The complaint

Mrs W complains that AXA Insurance UK Plc (AXA) unfairly declined her claim following an escape of water, under her home buildings insurance policy.

What happened

Mrs W noticed water leaking from underneath her shower tray. This became worse and caused a flood in her bathroom. She contacted a plumber who removed some tiles and was able to fix the leak. Mrs W contacted AXA to make a claim. It sent a surveyor to assess the damage. Based on this assessment it declined the claim due to evidence of an ongoing issue resulting from wear and tear.

Mrs W disputed this decision. AXA arranged another inspection, but this didn't change its position. So, Mrs W complained.

In its final complaint response AXA says Mrs W's policy doesn't cover her for poor workmanship or maintenance related issues. It says nor does it provide cover for gradually occurring issues or those caused by wear and tear. AXA says it considered the plumber's report Mrs W provided but this didn't alter its decision.

Mrs W felt that she'd been treated unfairly by AXA. So, she referred the matter to our service. Our investigator upheld her complaint. She says AXA's surveyor had focused on a second leak. Mrs W says this started after the plumber had fixed the leak that was the subject of her claim. This second leak caused dripping into the shower tray and wasn't the cause of the damage she reported.

Our investigator relied on the plumber's report that said the leak was due to a split pipe. This was concealed behind some tiles that Mrs W couldn't have known about. She didn't think AXA had reasonably shown that a policy exclusion applied here. She says it should pay the claim plus £200 compensation for the distress and inconvenience it caused Mrs W.

AXA disagreed with this view. It says it wasn't clear that there had been another leak other than the one it identified. It says it couldn't see evidence of the repair the plumber had completed. AXA says the leak it identified had been ongoing for some time and had caused the damage Mrs W reported.

Our investigator didn't change her view. As AXA didn't agree it asked for this complaint be considered by an ombudsman.

It has now been passed to me to decide.

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 Mrs W's complaint. Let me explain.

There's no dispute that Mrs W's policy provides cover in the event of an escape of water. But AXA has relied on its policy exclusions to deny her claim. More specifically, it says there was long standing pre-existing damage to the shower that Mrs W knew about. I've read the reports AXA has provided from the two visits its assessors made to inspect the damage. I've copied the relevant excerpts from these reports below:

"The point of claim is to the insureds bathroom area which is situated on the ground floor to the rear of the property, the over all condition of the room is poor , the Aqua panels to the ceiling have all lifted following separate works been carried out to the property which is being renovated. A leak from the feed pipe to the shower tap was present, the water was flowing down the tiles into the shower shower tray , the shower tap has been previously filled with a sealant as out of alignment and has been a clear issue for a period of time . Water has been running down the void behind the void and has subsequently saturated the concrete sub-floor , this was confirmed with a protimeter reading.

Based on the above information, the claim has been declined in full."

The second assessment took place a month later. The surveyor reported the following:

"Room was in a poor condition, I agree. The pipework was still leaking but ph may claim that the emergency repair carried out did not last. However there was no evidence to suggest this had been reported or any measure to mitigate. I would agree with the initial assessment."

Mrs W's plumber provided his comments on the repairs he carried out. He says:

"When arriving at [Mrs W's] home she had unfortunately had a leak and on investigation it was clear the pipework behind a boxing had split. Boxing and concealing pipes is a standard practice in the uk and in doing making it impossible to identify straight away for example pipes between ceiling and floor above.

Unfortunately when this happens the water has penetrated between the back of all/most tiles on the walls and floor this was proven by the independent inspector for the insurance company with moisture levels and in doing so has proven the bacteria and mould is behind the tiles making bathroom unfit for purpose.

I would like to make it clear these types of leaks are not noticeable by the user when maintaining until the water penetrates through and by this time it is too late and unavoidable."

In response to our investigator's findings AXA says only one access hole was made. It didn't think this was big enough to allow the plumber to have repaired a split pipe. It says this would usually entail replacing a section of the pipe. AXA also says it was the condition of the sealant and grouting that allowed water to run into the void behind the shower. It maintains that this isn't something its policy covers.

I asked Mrs W if she could contact her plumber to provide more information on the repair he carried out. She did. In his response he says:

"When referring to the pipework split it was the 15mm end feed elbow to the rear of the hot water supply to the thermostatic bar mixer shower. The hole is adequate for sweating off and replacing. You say the hole isn't big enough I'd be more than to set up a situation at work and video to show it's possible in a smaller hole."

We forwarded the plumbers comments on to AXA and asked for its comments. It didn't

provide a response.

AXA's surveyor declined Mrs W's claim because the damage was thought to be the result of poor-quality previous repairs where the shower tap is fixed to the wall. From the photos there does appear to have been a significant amount of sealant used in this area. But I don't think this was the cause of the leak Mrs W reported. Her plumber has made clear there was a leak behind the shower wall. This isn't something Mrs W could reasonably have been aware of until water began leaking from under her shower tray.

I'm not an expert in this area and so must rely on the opinion of those who are. The description of the repairs Mrs W's plumber completed appear reasonable. He confirms it was a concealed pipe that was leaking and maintains that the repairs were completed through the access hole he made. AXA has provided no further comments or information for me to consider on this point. Based on what I've read I think it's reasonable to accept that the leak originated from a pipe concealed behind the shower wall. I don't think the policy exclusion AXA has relied on reasonably applies here. So, I don't think it treated Mrs W fairly in declining her claim, which it should now pay.

I've thought about the impact this had on Mrs W. The declined claim has clearly caused her inconvenience as she hasn't been able to use her shower and some distress due to the unfair decline decision. In these circumstances I agree with our investigator that AXA should pay Mrs W £200 compensation.

My final decision

My final decision is that I uphold this complaint. AXA Insurance UK Plc should:

- pay Mrs W's claim; and
- pay Mrs W £200 compensation for the distress and inconvenience it caused her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 27 March 2024.

Mike Waldron
Ombudsman