

The complaint

Miss L complains about AXA Insurance UK Plc's handling of her 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.

I issued a provisional decision on 9 February 2024. In my provisional findings, I said:

"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 intend to uphold the complaint for these reasons:

- The carpet has been noted be fitted with underlay and grippers. AXA says this can be easily removed and would not be classed as a permanent fitting. AXA said had the carpet, for example, been glued down it would be permanently glued to the structure of the building.*
- The policy sets out that buildings cover includes 'landlord's fixtures and fittings'.*
- In this case 'fixtures' or 'fittings' aren't defined – and it doesn't set out any detail about what a permanent fitting or fixture would be. However, I would view these to be something fastened to the structure such as to the floor or wall.*
- So I do think the carpet fits the definition of fixture and fittings. The carpet was fixed in place and the policy doesn't set out that fixtures and fittings need to form part of the permanent structure of the building.*
- Because of this I think it is reasonable AXA should include the carpet as part of the settlement of the buildings claim. Miss L says she has had to replace the carpet, so AXA should meet these costs on production of sufficient evidence such as invoices. It should also add 8% simple interest to the amount from the date the invoice was paid to the date it makes payment to Miss L.*
- AXA acknowledge it has caused delays in its handling of the claim. Particularly in paying settlements to Miss L. It has offered Miss L a total of £150 compensation in acknowledgment of the inconvenience this has caused. I think this amount fairly recognises the inconvenience its actions have caused.*

Putting things right

To put things right I intend to direct AXA should:

- Meet the costs incurred by Miss L to replace the carpet on production of sufficient evidence such as invoices.*
- It should also add 8% simple interest to the amount from the date the invoice was paid to the date it makes payment to Miss L."*

Responses to my provisional decision

Miss L responded to say she agreed with my provisional findings.

AXA didn't agree with my provisional findings. In its response, it has pointed towards wording on our service's website – which says we treat carpets as contents even though they're often fitted.

AXA said as carpets are removed easily and are something that doesn't form part of the main structure of the building, it was of the opinion it was a content item. It has also provided comments clarifying how the carpet was fitted.

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.

I've considered what AXA said, but it doesn't change my decision – or my reasoning.

I note the comments regarding the carpet's fitting. In my provisional findings I've already set out the carpet is fitted with underlay and grippers.

I've looked again at the wording of the policy – and under '*what is covered*' for buildings it specifies it covers '*landlord's fixtures and fittings*'.

There is no definition or explanation of what a fixture or a fitting could be.

Our service does generally take the view that carpets are contents, and our investigator has also acknowledged this in their view of the complaint. I'm also aware our website sets this out in similar detail but I would point out our website also acknowledges a carpet is a *fitting*.

A fitting could be any item that is free standing or hung by a nail or hook – or put another way, something that is held in place.

As AXA are aware, we consider each case on its own individual facts, taking into account what we think is fair and reasonable in the circumstances.

In this particular case, considering the wording of the relevant section of the policy, which is the buildings section, I don't think it would've been clear to Miss L the carpet wasn't covered. While I wouldn't expect AXA to list every item that is or isn't covered, it doesn't set out any detail or definition of what a fixture or fitting would be.

So I don't think in the merits of this particular case it presents a fair outcome to Miss L.

While the contents section of the policy does specify it covers fixtures and fittings not forming a permanent part of the structure, I wouldn't expect a consumer to go looking in a section of the policy booklet that isn't relevant to the cover they've taken. And as I've set out above, the relevant section of the policy offers no further clarification on the definition of 'landlord's fixtures and fittings'.

Putting things right

To put things right I direct AXA to do the following:

- Meet the costs incurred by Miss L to replace the carpet on production of sufficient evidence such as invoices.

- Add 8% simple interest to the amount from the date the invoice was paid to the date it makes payment to Miss L.

My final decision

My final decision is that I uphold Miss L's complaint.

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 29 March 2024.

Michael Baronti
Ombudsman