

## **The complaint**

Miss G complains that AXA Insurance UK Plc (AXA) declined her claim for water damage, under her home buildings insurance policy.

Miss G is represented by Mrs C in her complaint. I'll refer to Miss G in my decision for ease.

## **What happened**

Miss G says there was an escape of water that damaged her home in December 2022. She wasn't insured at this time. She then arranged cover with AXA. Two further leaks occurred so she contacted the business to make a claim. There was a delay in dealing with the matter. Miss G says AXA subsequently rejected her claim as it says the damage was caused by the initial leak that occurred prior to cover being in place.

Miss G says AXA hasn't treated her fairly. This is because further damage was caused by the leaks that happened once cover was in place.

In its final complaint response AXA says the first leak was in December 2022 when Miss G wasn't insured. The damage caused by this leak included soaked walls, a weakened and bulging bathroom ceiling, as well as damage to all wooden floors. AXA says this means any repairs relating to plastering, decoration, or the replacement of flooring can't be considered.

AXA says it can only cover additional costs due to the second and third leak events. It says it will consider any evidence Miss G provides showing damage linked directly to the subsequent leaks.

Miss G didn't accept AXA's response and referred the matter to our service. Our investigator didn't uphold her complaint. He says there's no clear evidence of further damage caused by the later leaks. He says Miss G isn't covered for incidents that happen before her policy started. He thought AXA had behaved fairly when declining her claim. And says it's fair that it considers any evidence showing additional damage due to the subsequent leaks.

Miss G says it was the second and third leaks that caused the most damage. As she didn't agree with our investigator's findings she asked for an ombudsman to consider her complaint.

It has 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 not upholding Miss G's complaint. I'm sorry to disappoint her. But I'll explain why I think my decision is fair.

It's for Miss G to show she's suffered an insured loss (fire, flood, theft etc.). If she can do so then, generally speaking, AXA must pay the claim unless it can reasonably rely on a policy

exclusion not to. In this case AXA has relied on its terms that says it doesn't cover incidents that happen before its policy begins. I'll consider whether it has relied on its policy terms fairly.

In its complaint response AXA refers to its terms and conditions set out on page ten of its policy booklet. The terms say:

*"What is not covered: Your policy will not pay for claims which are:*

*For incidents which happen before Your policy started or after it has ended"*

I think this term is clearly worded. It explains there's no cover for incidents that occur before the policy is in force. I can see from Miss G's policy schedule that her cover began on 1 January 2023. She confirms the first leak happened in December 2022. So, it's clear there was no cover in place for any damage caused by this leak.

I've thought about Miss G's view that AXA should cover the additional damage caused by the later leaks. I can see from her testimony that she says further damage was caused as a result of two further leaks from the flat above. This caused a ceiling to collapse, and more damage to the walls and flooring.

When Miss G reported damage caused by further leaks in February 2023 AXA arranged for an inspection of her property. The inspection took place on 31 March. The report says three leaks had occurred, and one pre-dates the inception of Miss G's policy. Damage is highlighted to the living room ceiling, walls, doors, architraves, and the laminate flooring. Similar damage is reported to the kitchen, bathroom, bedroom, and hallway. In addition, some contents damage is noted as a result of mould. A number of photos were taken by the assessor which support extensive damage caused to Miss G's property as a result of the water leak from the flat above.

I can see AXA had some concerns with the information Miss G provided when taking out her policy. This was about the rebuilding cost. The estimate she provide was too low. She also said she'd held home insurance for three years, which wasn't accurate. A delay in considering Miss G's claim occurred whilst these inaccuracies were considered. AXA subsequently confirmed the policy could continue, despite the inaccurate information. Delays and communication issues were addressed in two complaint responses. AXA paid Miss G compensation for these issues. These points don't form part of my considerations here. My focus is on Miss G's complaint that her claim was declined.

AXA arranged for an interview with Miss G. I've seen a copy of the report that followed. The report says Miss G advised the first leak happened when she was on holiday so she couldn't be clear on the exact date. But she thought it happened on either 26 or 27 December 2023. The police had to break into her house as there were concerns due to condensation on the inside of the windows. She says the fire brigade also attended. A leak was thought to have come from a pipe under the bathroom floor of the upstairs neighbour's flat.

The report says Miss G identified damage to her bathroom, which affected the ceiling and walls, as well as the wooden hallway floor. It says that no steps were taken by Miss G to prevent further damage, such as using de-humidifiers to stop mould and rot occurring. Miss G advised the second leak occurred on 12 February 2023. At this time the bathroom ceiling caved in, and there was mould throughout the property. Miss G told AXA's investigator that she wasn't living at the property at the time of the second leak and hadn't been since the first leak occurred.

AXA's investigator highlighted concerns that the damage was caused pre-inception of

Miss G's policy. He says the property wasn't occupied when further leaks and damage occurred. Also, that no steps had been taken to prevent further deterioration or damage.

I've read the notes taken when Miss G contacted AXA on 1 January 2023. She reported a burst neighbour's pipe causing damage to the bathroom ceiling and floor. As well as damage to the lounge/dining room, and the kitchen. The note says Miss G also reported mould, that the electrics didn't work, the property was wet, and the walls were damp.

I'm sorry Miss G's home was damaged by the leaks that occurred. This must have been a very distressing time for her.

I thought carefully about the evidence provided.

Miss G's policy wasn't in force when the first escape of water happened. From her description, provided in early January 2023, this leak had caused damage throughout her home. AXA isn't responsible for damage that occurred before its policy was in force. I think it's fair that it considers any evidence Miss G provides that shows additional damage was caused by subsequent leaks. But extensive damage was caused throughout her home by the December 2022 escape of water. When also considering the lack of any attempts to mitigate further damage, I don't think AXA acted unfairly when concluding the damage had occurred prior to inception of its policy.

For these reasons, although I'm naturally sympathetic towards the situation Miss G finds herself in, I can't fairly ask AXA to do any more.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 13 May 2024.

Mike Waldron  
**Ombudsman**