

The complaint

Mr E complains about AXA Insurance UK Plc's handling of a claim made under his home insurance policy.

What happened

The background to this complaint is well known to both parties, so I'll provide only a brief summary here.

Mr E owns and lets out a property which is covered by a home insurance policy underwritten by AXA.

He made a claim after discovering cracks in the swimming pool at the property. It's accepted that this damage was caused by ground movement (subsidence).

AXA declined the claim. They said that Mr E's policy only covered damage to the swimming pool caused by ground movement or subsidence if the main house was affected by the same cause.

Mr E made a complaint to AXA. He felt the claim should be covered. And the policy documents were misleading – the Insurance Product Information Document (IPID) said pools would be covered.

AXA didn't uphold Mr E's complaint. But they said they were responding just outside the eight week deadline and paid Mr E £25 in compensation for that.

Mr E wasn't happy with this outcome and brought his complaint to us. Our investigator looked into it and didn't think AXA had done anything wrong.

Mr E disagreed and asked for a final decision from an ombudsman.

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 don't think there's any dispute now that the policy terms say that AXA won't cover damage to pools caused by subsidence unless the main house is also affected.

To be absolutely clear, the terms say that AXA won't cover subsidence damage:

“To boundary and garden walls, terraces, gates, hedges and fences, paths and drives, artificial lawns, patios, tennis hard courts and swimming pools unless Your Home has been damaged at the same time by the same cause.”

The terms were provided to Mr E when he bought the policy. He either was or should have been aware that damage to his pool wouldn't be covered in these circumstances. It's not disputed that the main house *hasn't* been affected by the subsidence.

The term isn't unusual – it's common in many home insurance or property insurance policies. And it's not onerous – it doesn't, for example, require Mr E to do anything in order to qualify for cover. So, I don't think it was necessary for AXA to highlight that term specifically or to give it prominence in the policy terms.

Mr E says the IPID was therefore misleading. Because it says – quite simply – that the policy provides cover for swimming pools.

However, the IPID is quite self-evidently a brief summary of the policy cover. It doesn't say that cover (for pools or indeed anything else) is unlimited and/or without any conditions or restrictions. And it refers the reader to the full policy terms for an understanding of any conditions or exclusions.

In other words, I don't think it's a justifiable or reasonable reading of the IPID to think that cover is provided for *any* damage to swimming pools, no matter what the cause and without any limitations or restrictions.

In summary, I don't think it was unfair or unreasonable for AXA to decline Mr E's claim on the basis that the policy terms were clear that damage wouldn't be covered in these circumstances. Nor do I think the IPID is misleading about the extent of the cover.

Complaint-handling isn't a regulated activity and so it's not for me to comment on that. But in any case, it seems to me that AXA were mistaken in thinking they'd missed the eight week deadline to respond to Mr E's complaint. And if they had missed it (by a day or so), £25 is fair and reasonable compensation for such a minor delay.

My final decision

For the reasons set out above, I don't uphold Mr E's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 14 February 2025.

Neil Marshall
Ombudsman