

The complaint

Mrs S is complaining that AXIS Specialty Europe SE hasn't covered a claim she made against her commercial insurance policy in full.

What happened

In September 2024 Mrs S contacted AXIS to claim for damage to her property and contents contained within it. She said water had entered the property during a storm. AXIS arrange for a loss adjuster to attend the property who advised that debris had blocked the parapet outlet, which, in turn, caused a flood onto the flat roof, resulting in water entering the property.

AXIS said it didn't consider the damage was down to storm damage, but due to the build of debris. So it said it didn't think the damage was covered under storm cover. But it said Mrs S had accidental damage, which covered the damage to the building. However, it said the policy didn't cover accidental damage to contents.

Mrs S didn't agree with AXIS's decision. She said the heavy rainfall had caused the build up of the debris so maintained the damage was caused by a storm. But she said, even if that wasn't the case, she didn't agree that AXIS had said carpets and flooring were considered to be contents.

AXIS maintained its claim decision was fair. But it acknowledged it hadn't returned some calls. So it said it would pay Mrs S £75 in compensation. Mrs S still thought AXIS was being unfair, so she referred her complaint to this Service.

Our Investigator didn't uphold this complaint as she was satisfied AXIS's claim decision was fair.

Mrs S didn't agree with the Investigator, so the complaint's 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.

I've decided to not uphold this complaint and I'll now explain why.

The terms of the insurance policy cover Mrs S for loss or damage arising from a storm. However, the terms of the policy also set out that it won't cover loss or damage that happens gradually – i.e. it's down to wear and tear. AXIS believes the damage occurred because of gradual build up of debris due to a failure to fairly maintain the property.

In thinking about this, I've asked myself three questions:

1. Were there storm conditions as defined under the terms of the insurance policy?
2. Is the damage claimed for consistent with damage a storm typically causes?
3. Were the storm conditions the main cause of the damage?

The policy doesn't define what AXIS means as a storm. But given the amount of rainfall in the 24 hours leading up to the incident, I'm satisfied there was a storm. I also don't think it's necessarily unreasonable that such amount of rainfall *could* cause water ingress. So I'm satisfied the answer to questions (1) and (2) is "yes". I also don't think this is in dispute. The issue is whether the storm was the main cause of the damage.

There is also no dispute that it was the build up of debris that blocked the water outlet which caused the high water level. Mrs S says it was the storm that caused this. However, AXIS has said that this is down to failure maintain the property in a good state of repair. And the policy specifically excludes cover in this case.

I think it's a fair conclusion that the outlet couldn't have become blocked if all leaves and sticks etc were removed. Mrs S says she believes they were washed off the roof. While I accept it's possible some debris could have been washed off the roof, I think it's most likely that this is down to a long-term build up of the leaves and sticks etc until it came to the point where the outlet got blocked.

I do not dispute that the storm has highlighted this issue. But the water would not have entered the property if the outlet hadn't become blocked. So I think it's this failure that had ultimately caused the damage. So I don't consider the storm to be the proximate cause of the damage. It follows, therefore, that I find it wasn't unreasonable for AXIS to say there wasn't any cover for storm in the circumstances of this claim.

However, AXIS rightly set out that the internal damage is covered under accidental damage cover. But the policy doesn't extend accidental damage coverage towards the contents. Mrs S doesn't dispute this, but thinks it's unfair that AXIS has said carpets and flooring is considered to be contents. She says she wouldn't take these with her if she sold the property, so believes they should be considered as fixtures.

While I note Mrs S's comments, it's not unusual for insurers to consider carpets and flooring as contents. In this case, the terms of the policy define contents as:

"Fitted carpets, click together flooring, furnishings, household goods and other contents of reception and storage areas and other communal parts specifically provided for the use of the tenant at the insured premises for which you are legally liable."

So the policy specifically says carpets and click together flooring are contents. And Mrs S has confirmed that the flooring is a click-together and isn't specifically secured to the floor. Given this, it's not unreasonable AXIS said as such which is in line with standard industry practices and court rulings.

While, Mrs S has said she wouldn't take the carpets and flooring with her, fitted carpets and click-together flooring can be taken up relatively quickly and easily and re-laid to an acceptable standard. So I think it was fair for AXIS to treat the flooring as contents and, therefore, say it's not covered under accidental damage cover.

I'm conscious AXIS has paid Mrs S £75 in compensation for customer service. But Mrs S hasn't referred this aspect of her complaint to this Service, so I haven't considered this.

My final decision

For the reasons I've set out above, it's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 28 October 2025.

Guy Mitchell
Ombudsman