

The complaint

Mr S complains that AXA Insurance UK Plc ('AXA') unfairly declined a claim he made under his landlord insurance policy.

What happened

Mr S held a landlord insurance policy that covered a rental property. He contacted AXA to make a claim in September 2024 after noticing damp in a cupboard he believed had been caused by the upstairs shower. AXA arranged for an inspection to report on the damage.

AXA's inspection report ultimately recorded that the proximate cause of the damage was due to gradual wear and tear. They said there was failed sealant and grout and there was evidence of previous attempts at repairs. AXA ultimately declined the claim and said they hadn't identified an insured peril because the damage appeared to have developed gradually over a period of time.

Mr S raised a number of complaints to AXA about the claim decline and delays in progressing matters. AXA considered Mr S's complaints and responded to them in November 2024 and April 2025 and said they maintained the damage wouldn't be covered by the policy's terms. But they did agree there had been instances of delays and poor service and ultimately went on to offer compensation in recognition of this. Mr S then brought the complaint to this Service, and AXA went on to offer additional compensation, eventually totalling £450.

An Investigator looked at what happened but didn't think AXA needed to do anything further. He concluded that AXA's report and photographs showed evidence of previous repairs, so he said he was satisfied AXA's conclusion that the damage was more likely due to wear and tear, which the policy excluded, was reasonable in the circumstances. The Investigator also felt the total compensation AXA had offered was fair and reasonable. Mr S didn't agree and asked for an Ombudsman to consider the complaint – so, it'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 want to start by explaining I've intentionally summarised the background to this complaint because the details are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving the reasons for my decision.

The policy terms say AXA will cover accidental damage due to an escape of water but excluding wear and tear or gradual deterioration. So, the key question for me to answer in this complaint is whether AXA's decision to decline the claim was fair and reasonable, and supported by the available evidence. Having considered all the evidence, I'm satisfied their decision was fair.

It's not in dispute that there was damage caused by water ingress. But AXA says their report identified water ingress due to failed sealant and grout and there was evidence of various attempts at resealing or applying silicone. The report also noted the kitchen showed previous attempts at painting over the damaged area and that this was not consistent with a one-off insured event.

Having considered the report and accompanying photos, and taken together with the report's comments, I'm satisfied that AXA's position, that the bathroom was deteriorating for some time with previous repairs having been carried out, was a reasonable conclusion to reach based on the available evidence.

The policy specifically excludes damage due to wear and tear. As such, I find that AXA's conclusions that the overall damage was more likely than not to be long term and due to the breakdown of materials, with previous repairs being completed, was reasonable and proportionate in the circumstances. That means I find their decline of the claim was fair. That being said, I do acknowledge that there were delays during the claim and I accept Mr S would have experienced additional distress and inconvenience over and above a normal claim process when trying to resolve everything. AXA has already agreed their service fell short at times and offered compensation, which the Investigator felt was fair and reasonable. So, I need to decide whether that's enough compensation to put things right.

In terms of making a compensation award, it's important for me to highlight that this Service doesn't punish or fine businesses. A compensation award is intended to reflect the impact a business's actions had on their customer. So, I've considered Mr S's testimony about how he says this claim affected him, while balancing the fact that AXA did ultimately arrange for an inspection, considered the resulting report, and looked specifically at whether the damage would be covered by the policy.

Overall, I think the total compensation award of £450 is fair and reasonable and is in line with the level of compensation appropriate to the delays Mr S experienced. That means I direct AXA to pay this sum to Mr S in order to conclude the complaint, if they haven't already done so.

My final decision

For the reasons I've given above, my final decision is that I uphold this complaint in part. I direct AXA Insurance UK Plc to pay Mr S a total of £450 compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 17 March 2026.

Stephen Howard

Ombudsman