

The complaint

Mr A complains about the way AXIS Specialty Europe SE ('AXIS') handled an escape of water claim he made on his property insurance policy.

What happened

Mr A notified AXIS of an escape of water claim at his property in November 2024. AXIS arranged a site visit and later carried out dye testing. They advised Mr A they were declining the claim in February 2025. Mr A raised a complaint that was ultimately brought to this Service. While Mr A accepted AXIS had correctly turned down the claim, he said that there had been delays during the process and the costs of repairing the damage had increased from £2,800 to over £7,000.

An Investigator looked at what had happened and recommended that AXIS should pay 50% of the increased costs of fixing the damage. She said while it wasn't possible to precisely determine the delays or attribute costs to any point in the claim process, she thought it was fair and reasonable to split the increased costs evenly between Mr A and AXIS.

Mr A agreed with the Investigator's findings, but AXIS did not. They said it was agreed they'd fairly declined to cover the claim, so they didn't understand why they would be responsible for covering 50% of the extra repair costs on a claim they had no liability for.

I issued a provisional decision on the complaint and I said the following:

"I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Having done so, I've reached a different outcome to the Investigator, and I do not intend to uphold this complaint. I'll explain why.

Since the complaint came to this Service, Mr A has agreed that AXIS correctly declined cover for his claim. But Mr A says the costs of repairing the damage increased because AXIS took too long to reach a decision on his claim. So, the remaining issue for me to decide is whether they should cover any of these costs.

I've considered the available evidence Mr A has provided, which are estimates he obtained at the start of the claim, as well as the final invoice for the works that were eventually completed. Having done so, I'm not persuaded that the difference between the figures demonstrates that the damage worsened over time as a result of any delays.

The earlier figures Mr A relies on appear to be high-level quotes, produced before the damaged areas were opened up and without a detailed scope of remedial works having been itemised. One of the invoices also sets out that "...any hidden costs (for example plumbing) might be added".

In contrast, the final invoice reflects the full extent of the investigation and remedial works required once the underlying condition of the damage could be properly assessed, which included works to floors, walls, membranes, and adjoining areas. In my view, the higher final cost is better explained by the limited scope of the initial quotes.

As such, I'm not satisfied that the available evidence shows AXIS's handling of the claim caused Mr A to incur additional repair costs. While the claim took longer to be concluded than Mr A expected, I haven't seen any persuasive evidence which demonstrates to me there was any deterioration caused by delays."

I concluded that I did not consider it fair or reasonable for me to direct AXIS to contribute to the costs of the repairs. I invited both parties to provide a response to my provisional findings.

AXIS did not provide any further information for me to consider.

Mr A replied but said he did not agree with my conclusions. His main points were:

- Further deterioration must have occurred during the time of Axis's involvement.
- The water wouldn't have caused damage from whenever the problem first arose but then stopped causing damage for the 14 weeks Axis were involved.
- Axis had a duty of care to progress matters with a measure of urgency.
- Axis should bear responsibility for at least some element of the deterioration and consequent increased losses.

As both parties have had an opportunity to reply to my provisional findings, I will set out my final decision below.

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 carefully considered Mr A's further comments following my provisional decision, but I haven't been persuaded to reach a different conclusion.

I appreciate Mr A maintains that further deterioration must have occurred during the time of AXIS's involvement, but I'm not persuaded the available evidence supports this conclusion. The invoices Mr A has provided show an increase in the scope of works between the first inspection and the final completion, but an increase in the cost does not mean this is evidence the damage worsened.

As such, I maintain that the available evidence does not demonstrate AXIS's handling of the claim caused Mr A to incur additional repair costs. So, I do not consider it fair or reasonable for me to direct AXIS to contribute to those costs.

My final decision

For the reasons I have given above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 5 March 2026.

Stephen Howard
Ombudsman