

## **The complaint**

Mr and Mrs M complain about AXA Insurance UK PLC (AXA), who declined their claim under their contents insurance policy.

## **What happened**

Mr and Mrs M discovered that their outside shed had water ingress, and this had damaged several of their belongings. Mr and Mrs M contacted AXA to make a claim. They also sent in some photographs of the damage that had occurred. They explained to AXA that water had come into the shed and damaged the contents.

AXA told Mr and Mrs M that as the water had entered the shed and hadn't come in as a result of an escape of water. Further, it said that as there had been evidence of wear and tear (seen on the photos submitted) there was no cover for this under the policy. So, the claim was declined.

Mr and Mrs M complained to AXA as they felt that the policy had been mis-sold as they said they had been told that the contents in an outbuilding would be covered. In its final response, AXA said that the reason to decline was the correct one. As the damage caused had happened on a gradual basis, rather than a one-off insured event. It relied upon the policy terms but offered to pay Mr and Mrs M £25 compensation for a delay during the claims process.

As Mr and Mrs M had been given her referral rights, they referred a complaint to our service. One of our investigators considered the complaint and didn't think it should be upheld. She concluded that AXA had fairly declined the claim in line with the policy terms and conditions, based on gradual deterioration, due to the damage as shown in the photos.

AXA accepted the view, Mr and Mrs M did not. They said that there was damage to the contents of the shed, and they wanted an ombudsman decision.

## **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 won't uphold this complaint, for much the same reasons as our investigator. I understand that this might be a disappointment to Mr and Mrs M, but I hope my findings go some way in explaining why I've reached this decision.

I've considered both parties comments, and the evidence they've provided. I should say at the outset that when we look at complaints, our role is to consider whether the insurer has declined the claim in line with the policy terms and conditions. In addition, I should say at the outset, that it is for the policyholders (here Mr and Mrs M) to prove that they have a claim, that is covered under those terms.

Mr and Mrs M said that they made a claim after having discovered a hole in their shed floor, in June 2023. They said that it appeared that water had caused the damage and in doing so, had damaged several possessions that they kept in the shed. They said that they were unable to tell AXA, when the damage occurred, as it had been several months earlier. But as they felt that the policy, they held with AXA provided cover for contents in outbuildings, they wanted AXA to settle the claim.

I've had a look at the policy to see what Mr and Mrs M had agreed to when they took it out. In particular I've looked at what is covered under the policy and any exclusions that may apply.

Dealing with what was covered under the policy. An escape of water is an insured peril under the policy. But Mr and Mrs M couldn't explain how the damage occurred. Nor could they confirm that it happened for instance, as a result of a burst pipe. This wouldn't be covered under the policy.

Storm is another insured peril that is covered under the policy and would likely cause water ingress. But again, Mr and Mrs M haven't provided any evidence that supports that the damage caused, was due to a storm. So, again, under the storm peril, there is no cover.

Mr and Mrs M provided photos of the damage caused to the shed, which I've reviewed. They said that the water had run down the wall and caused the hole in the shed floor. I agree that this can be seen from the images provided.

AXA said that after it had reviewed the photos, it concluded that the cause of damage was due to wear and tear. And because the damage was caused by a gradual deterioration, the claim would be declined.

The policy states:

*'Gradual deterioration/maintenance Any loss or damage caused by wear and tear, depreciation, the effects of light or the atmosphere, mould, dry or wet rot or fungus and costs that arise from the normal use, maintenance and upkeep of your buildings and its contents'.*

Mr and Mrs M explained that their possessions became mouldy due to the water ingress. And coupled with their description of water running down the walls and causing a hole in the shed floor, I think this shows that the damage happened over a period of time and not as a result of a single, one-off event.

Had Mr and Mrs M showed that the damage was caused by a single one-off event, then the accidental damage term would've applied. But as this there was no evidence of this, the accidental damage term wasn't applicable either.

Mr and Mrs M felt that it was unfair for AXA to make an assessment on just the photos. And that it ought to have instructed a surveyor to assess what caused the damage. But there is no requirement for AXA to instruct a surveyor where other evidence, such as the photos and the policyholder's explanation was provided. And it was able to make a reasonable determination, on the cause of damage. Which is what AXA did here.

Additionally, Mr and Mrs M were told they could obtain evidence that disputed AXA's cause of damage. But this wasn't done.

On balance, I'm satisfied that the damage caused, was as a result of a gradual deterioration and not because of a one-off event. I think that AXA were therefore reasonable to decline

the claim. And it did so based on the account given by Mr and Mrs M, as well as the photos they provided.

I acknowledge Mrs and Mr M's strength of feeling about this complaint and the reason why they referred it to our service. But, in the overall circumstances of this complaint, I think that AXA declined the claim, in line with the policy terms and conditions. And I haven't seen enough evidence to show that it acted unfairly. I'm therefore not going to tell it to do anything further here.

### **My final decision**

For the reasons given, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M and Mr M to accept or reject my decision before 26 December 2023.

Ayisha Savage  
**Ombudsman**