

The complaint

Mr W complains AXA Insurance Plc unfairly declined part of his landlord insurance claim.

What happened

Mr W made a claim against his AXA landlord insurance policy. His property had been damaged by an escape of water. AXA accepted the claim. But Mr W was dissatisfied with various elements of its claim handling.

In October 2022 AXA issued a response to a complaint from Mr W. It offered him £200 compensation for inconvenience it had caused through delays to the claim. Under a different complaint record, another ombudsman at this service considered the issues relating to that final response. His final decision raised the compensation to £500. It also said AXA should consider against the terms of the policy, on sight of evidence, any costs Mr W had incurred for temporary measures or repairs.

In March 2023 AXA issued a further complaint final response to Mr W. It relates to the same claim but addresses different issues. These include Mr W's dissatisfaction with AXA's decision to decline his claim for replacement of a boiler and his frustration at its customer service. AXA continued to decline the boiler claim but offered £150 compensation for poor customer service. This final decision addresses the matters covered by the March 2023 final response.

In April 2023 our investigator considered this complaint. She felt AXA's decision not to cover the boiler was fair and reasonable. She said it had already offered enough compensation to recognise the impact of any poor service. So she didn't recommend it do anything more. Mr W didn't accept that outcome. So the complaint was 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.

As this is an informal service I'm not going to respond here to every point or piece of evidence Mr W and AXA provided. Instead I've focused on those I consider to be key or central to the issue. But I would like to reassure both that I have considered everything provided.

Mr W paid for the replacement of the property's boiler. He says it was damaged by the escape of water. AXA says the boiler itself was the source of the escape of water. So says under the terms of the policy it isn't covered.

Mr W's policy covers loss or damage caused by escape of water from any fixed water or heating installation or from any domestic appliance. But the policy also excludes damage to the installation or appliance itself. It's this exclusion that AXA's relying on to decline Mr W's claim for the boiler.

Unfortunately Mr W had the boiler taken away by his plumber. So it's no longer possible to examine it. But I've considered the evidence that is available.

AXA's loss adjuster visited the property. His report explains the damage to the property is the result of the failure of a pipe connected to the property. Mr W's plumber provided a report that says he *'fitted a new like for like boiler ...and there is no longer anything leaking within the boiler'*.

I accept it's possible the leak was from ancillary pipes or connections around the boiler. And I've considered Mr W's point about the likeliness of the boiler's water supply being powerful enough to be the primary cause of damage. But his plumber's report implies there was a leak from within the boiler itself. He's the only individual, I'm aware of, to have inspected the boiler. And without something to persuade me that leak was caused by a different one outside the boiler, I think it's most likely it was the primary cause of damage. That means it's fair and reasonable for AXA to rely on the exclusion to decline Mr W's claim for the boiler replacement.

I accept there has been some unnecessary distress and inconvenience caused to Mr W by AXA's handling of the claim during the period this complaint considers. This includes some avoidable delays and poor communication. But I agree with our investigator that £150 compensation is enough to recognise the impact. So I'm not going to require AXA to pay Mr W anything more.

My final decision

For the reasons given above, I don't require AXA Insurance Plc to settle Mr W's boiler claim, pay him any additional compensation or to do anything differently.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 18 August 2023.

Daniel Martin
Ombudsman