

The complaint

Mr J has complained about the amount AXA Insurance Plc has paid in settlement of his claim under his property insurance policy.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts are not in dispute, so I'll focus on giving the reasons for my 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.

- I agree with our investigator that what AXA has offered Mr J for loss of rent is fair and reasonable. I appreciate that the works took longer than ten days, but the evidence I have seen suggests the property should only have been uninhabitable for a period of ten days. Mr J's policy only covers loss of rent while his property was uninhabitable, which is why I think AXA's offer is fair.
- I appreciate the repair works took longer than ten days, but I have seen evidence from AXA that shows the extent of the work that I think would have made the property uninhabitable. And I am satisfied this part of the work should only have lasted ten days. If Mr J provides compelling evidence that his property was uninhabitable for more than ten days, I'd expect AXA to reconsider its position. But, as far as I can see, Mr J hasn't provided this sort of evidence so far.
- As the property should only have been uninhabitable for ten days, I'm also satisfied what AXA has offered to cover the council tax the tenant would normally have paid is fair and reasonable.
- AXA will only need to pay the ten days loss of rent once Mr J provides the tenancy agreement that was in place when the repairs to his property started. The one Mr J has provided started on 21 December 2022, whereas the works to his property started on 22 November 2022. So he needs to provide a copy of the tenancy agreement in place on 22 November 2022.
- I'm satisfied what AXA has offered for electricity usage costs is fair.
- Mr J has said that AXA simply left him to organise the repairs to his property and he is unhappy about this. But his policy only requires AXA to pay the cost of repairs. It did not need to send its own contractor to carry out the work required. So AXA was entitled to ask Mr J to organise the repairs and provide evidence to show what the works cost. All AXA then needed to do was verify the costs and pay Mr J the appropriate amount.

My final decision

For the reasons set out above, I've decided not to uphold Mr J's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 14 March 2024.

Robert Short
Ombudsman