

The complaint

Mr S has complained that AXA Insurance UK Plc (“AXA”) hasn’t reimbursed him for work he had done on his property, following a claim made under his landlord insurance policy.

What happened

In October 2023, Mr S discovered a pipe was leaking at a property he rents out. He made a claim for an escape of water, and AXA accepted the claim.

AXA declined the claim as it said Mr S had failed to mitigate his loss. Mr S brought a complaint about AXA’s decision to the Financial Ombudsman Service. Our Investigator at the time concluded that the claim should be reconsidered and, in a separate complaint, another Investigator said that AXA should reimburse Mr S for what he paid for the repairs, subject to Mr S providing AXA with evidence of payment.

AXA accepted evidence that a £3,200 payment was made to Mr S’s contractor. But it said it didn’t understand why the repair invoice had increased and it wouldn’t waive its excess as Mr S had wanted. Mr S said the rest of the payments had been paid in cash, and provided some proof of cash withdrawals – but AXA said there was no evidence the contractor had received that cash.

Mr S complained. In its final response to the complaint, AXA said its claims team required evidence that the cash had been given to the contractor and said it had contacted the contractor, but it still wasn’t satisfied the cash had been paid to him. So it didn’t uphold his complaint.

Mr S didn’t accept AXA’s response to the complaint, so he referred the complaint to this Service. Our Investigator initially didn’t uphold the complaint, saying Mr S hadn’t provided sufficient evidence that the payments had been made to the contractor in cash, so it wasn’t unreasonable for AXA not to reimburse him in full. But after further evidence was provided, our Investigator upheld the complaint, asking AXA to reimburse the proportion of the invoice Mr S had been able to prove with evidence of cash withdrawals.

AXA didn’t agree with our Investigator, so the complaint was referred to me for an Ombudsman’s 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.

As this is an informal service, I’m not going to respond here to every point raised or comment on every piece of evidence Mr S and AXA have provided. Instead, I’ve focused on those I consider to be key or central to the issue in dispute. But I would like to reassure both parties that I have considered everything submitted. And having done so, I’m upholding this complaint. I’ll explain why.

Mr S has provided this Service with detailed evidence of cash withdrawals from his bank and bank transfers he made. His contractor has also provided information detailing when the cash payments were received for the related work. The only payment that doesn't correspond to a withdrawal is the £1,777.54 payment.

AXA has considered this evidence and has said the dates of the cash withdrawals are different from the evidence provided previously. But I've compared the dates and I don't consider it unlikely the majority of the cash was received by the contractor. I say this because having compared the bank statements from Mr S with the details in the letter from his contractor, the evidence shows the following:

Withdrawal date	Amount withdrawn	Received date	Amount received
2 April 2024	£200	Same date	Same amount
10 April 2024	£250	Same date	Same amount
12 April 2024	£250	Same date	Same amount
15 April 2024	£250	Same date	Same amount
18 April 2024	£250	Same date	Same amount
22 April 2024	£240	Same date	Same amount
23 April 2024	£250	Same date	Same amount
26 April 2024	£250	Same date	Same amount
3 May 2024	£250	Same date	Same amount
7 May 2024	£250	Same date	Same amount
14 May 2024	£250	Same date	Same amount
15 May 2024	£250	Same date	Same amount
22 May 2024	£200	Same date	Same amount
24 May 2024	£250	Same date	Same amount
5 June 2024	£250	Same date	Same amount
8 June 2024	£250	Same date	Same amount
12 June 2024	£200	Same date	Same amount
1 July 2024	£40	Same date	Same amount
26 July 2024	£50	Same date	Same amount
11 August 2024	£40	Same date	Same amount
11 August 2024	£200	Same date	Same amount

26 August 2024	£300	Same date	Same amount
3 Sept 2024	£300	Same date	Same amount
4 Sept 2024	£300	Same date	Same amount
29 Sept 2024	£50	Same date	Same amount

In addition to the above payments, totalling £5,370 – which the contractor has confirmed in writing that he received, Mr S also provided evidence of other withdrawals and bank transfers to friends who he said had loaned him money so he could make the final payment of £1,777.54 to his contractor. Mr S has sent evidence of bank transfers which include the references “loan settle” and “loan repaid”. However, I appreciate there’s insufficient evidence of the £1,777.54 actually being borrowed by Mr S for the contractor, or being paid to the contractor, because there aren’t any corresponding messages between friends, cash withdrawals, bank transfers or repayments to his friends of those amounts.

In the call with the contractor, which I’ve listened to, AXA asked about the payments and the contractor confirmed he couldn’t remember exact amounts, but he remembered very clearly that Mr S had paid him in increments of cash for several months as well as £3,200 into his account.

I’m therefore persuaded, based on the evidence provided, that it’s likely Mr S paid his contractor for the majority of the work. And I agree with our Investigator’s recommendations that AXA should pay the full invoice amount, less the amount which Mr S hasn’t been able to sufficiently evidence, (£1,777.54) and less the policy excess.

If Mr S is able to obtain evidence he paid the £1,777.54 to his contractor, then I’d expect AXA to fairly consider this and reimburse him for it.

Putting things right

AXA Insurance UK Plc should now pay Mr S:

- The proportion of the invoice for the work he’s had carried out that he’s been able to evidence through his bank transfer and cash withdrawal evidence. This will be the full invoice amount, less £1,777.54 – and less any excess and any amount AXA has already paid Mr S in settlement of the claim.
- 8% simple interest per year on the additional amounts payable to Mr S, from the date Mr S made the payments, until the date he is reimbursed.

My final decision

My final decision is that I uphold this complaint and I direct AXA Insurance UK Plc to put things right as I’ve set out above.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr S to accept or reject my decision before 10 March 2026.

Ifrah Malik
Ombudsman