

## **The complaint**

Mrs C is unhappy with Ageas Insurance Limited's (Ageas) handling of a claim made under her commercial insurance policy.

Any references to Ageas include its agents.

## **What happened**

In November 2021 Mrs C contacted Ageas to let them know about some damage to the bathroom of their rental property. In early December, Mrs C was told an inspection had been arranged. Mrs C contacted Ageas after the inspection took place to find out what they'd found.

Between mid-December and the end of January, Mrs C contacted Ageas a number of times asking for an update. Her tenants were renting a property which meant they didn't have access to the shower. Mrs C says in mid-February, she was provided with a scope of works but says this missed a number of repairs that needed to be carried out. Mrs C says she was assured the missed works would be carried out. In March, Mrs C was told by the loss adjuster a leak detection survey needed to be carried out. In April, Mrs C logged a complaint about the delays in handling the claim so far.

Repairs began in June 2022, six months after the claim had been logged. Mrs C said in July 2022, she received a refund for the costs she'd paid. When it responded to her complaint, Ageas acknowledged the handling of the claim, or communication about the claim hadn't been acceptable. It said it would send £350 compensation separate. Mrs C didn't think this response went far enough to put things right and responded to Ageas. However, it didn't reply to her, but logged a further complaint, where it offered a further £100 compensation for the reimbursing Mrs C the amount she paid after she organised the repairs herself.

Unhappy with Ageas' response, Mrs C referred her complaint to this service. To put things right she said she wanted to be reimbursed for the reduction in rental income her tenants paid, to be reimbursed for the monitoring fee they had to pay and for the compensation offered in the final response letter to be sent.

The complaint was considered by one of our investigators. He recommended the compensation be increased by a further £100 and that it reimburses her for the monitoring fee she paid, as Ageas hasn't provided any clarification as to why Mrs C had been asked to pay this. Finally, our investigator said Ageas should contribute towards the reduced rental income, and this should be for two thirds of the timeframe the rental income was reduced by 20%.

Mrs C accepted our investigators conclusion. Ageas confirmed it received the conclusions and asked for more time to respond. But it didn't provide any information within the timeframe set, so this case has been passed to me.

## **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 should start here by clarifying I'm satisfied Ageas has been provided with sufficient opportunity to respond to the conclusions set out by our investigator. On 1 February it asked for an extension to respond, which our investigator granted. Our investigator sent another email on 9 February, asking for a response. As none was received, our investigator provided one last opportunity for Ageas to respond to his conclusion. But no reply was forthcoming.

In considering the information provided, I've reached the same conclusion as our investigator and for the same reasons. I'll start with the point about the monitoring fee. I can't see why Mrs C has been charged this. It seems clear from the file her preference was for Ageas to arrange the repairs, but she eventually arranged these when it appeared Ageas would not do so. There's no obvious reason why Mrs C has been charged for a monitoring fee, and with no comments to support why it was charged, I'm unable to conclude it was fair for Ageas to charge this. To put things right, I require Ageas to refund the total amount Mrs C was charged for the monitoring fee, along with 8% simple interest from the first date this was paid until the refund is made.

Turning now to the reduced rental income, I'm also minded to agree Ageas should contribute towards this. As our investigator said, it's difficult to know for certain how long the claim would have taken but for the delays Ageas accepted responsibility for. While Mrs C has said the shower was out of action, it doesn't appear the entire bathroom was unable to be used by her tenants, apart from during the repairs when alternative arrangements were made. And, despite being given three separate opportunities to do so, Ageas hasn't provided any reason why it shouldn't contribute to the loss of rental income Mrs C says she incurred.

On the basis it's clear Ageas acknowledges responsibility for avoidable delays in progressing the claim, I agree it's fair it contributes to some of the financial loss Mrs C says she incurred. I'm going to require Ageas to reimburse Mrs C the cost of two thirds of the overall reduction Mrs C says she agreed with her tenants. If Ageas requires proof of the reduction to calculate how much it should pay Mrs C, she should provide this.

I've also considered whether the investigators' overall recommendation for compensation of £550 is fair and reasonable. I'm satisfied it is. It's clear Mrs C needed to frequently follow up on the progress of the claim, experienced delays in its resolution and eventually had to pay for the repairs herself when Ageas didn't arrange them. I'm satisfied £550 fairly reflects the impact this matter had on her. Ageas should pay a total compensation payment of £550, less anything it's already paid for the trouble and upset experienced.

### **My final decision**

I uphold this complaint. To put things right, I require Ageas Insurance Limited to do the following:

- Refund the total amount Mrs C paid for the monitoring fee. Interest\* should be added at the rate of 8% simple per annum from the date Mrs C paid this until the date of settlement.
- Reimburse Mrs C two thirds of the 20% rental reduction she agreed with her tenants. If required, Mrs C should provide evidence to assist Ageas with calculating the amount owed.
- Pay Mrs C a total of £550 compensation, less anything that's already been paid.

\*If Ageas Insurance Limited considers that it's required by HM Revenue & Customs to deduct income tax from any interest paid, it should tell Mrs C how much it's taken off. If

requested, Ageas should also provide Mrs C with a certificate showing the amount deducted, so she can reclaim it from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 30 March 2023.

Emma Hawkins  
**Ombudsman**