

The complaint

Mr G complains that Ageas Insurance Limited badly handled a flood claim under his home insurance policy.

Ageas used a third party company to handle Mr G's claim and most of his correspondence has been with this company rather than directly with Ageas. For the avoidance of doubt, any reference to Ageas includes its agents, including the claims handling company.

What happened

Mr G had home insurance with Ageas, bought through an insurance intermediary. In September 2022, his home was flooded. According to Ageas' report, heavy rainfall backed up a downstairs toilet, and sewage flooded his kitchen, hall, and basement. This damaged carpets and flooring and caused a terrible smell in his home.

Ageas' contractor attended Mr G's home six days later and drained the flood water. It later cleaned and sanitised the affected areas and removed damaged carpet and floor coverings and began the drying process. It told Mr G it couldn't complete a full clean until the toilet was removed. This wasn't done until more than two months later.

Mr G recently told us that Ageas offered him a cash settlement in April 2023 which he accepted. He's since been able to arrange his own repair works and these have now been completed. I understand that Ageas paid the settlement in May 2023.

Mr G is unhappy with the delays by Ageas' contractor. He believes Ageas should have attended his home sooner. It took the contractor three weeks to carry out its initial clean and tile/carpet removal and then didn't return to remove the toilet or complete repairs for several months. This caused a fly infestation and later a vermin infestation. He's also unhappy with the quality of work carried out and with the lack of communication from Ageas during his claim.

Ageas partly upheld Mr G's complaint. It said:

- It didn't arrange emergency help as his policy isn't an emergency insurance policy.
- Its contractor attended within a week but couldn't complete a full clean because the toilet had to be removed.
- It asked a second contractor to do this. This contractor failed to do this in a reasonable time, leading to the fly infestation.
- The only way it could dry the basement safely was to leave the external door open. However, this wouldn't have caused the vermin infestation, so it didn't accept this was its fault.

Ageas offered Mr G £500 to apologise for its contractor's delays. Mr G didn't think this was good enough, so he brought his complaint to this service.

Our investigator recommended that Mr G's complaint should be upheld. He found that Ageas hadn't begun the outstanding repairs by April 2023 and hadn't given Mr G a reasonable

explanation for this. He didn't think it was fair that Mr G had restricted use of his home for over six months. Our investigator was also satisfied that the vermin infestation and related damage was Ageas' responsibility. He recommended Ageas pay Mr G an additional £1,150 on top of its £500 offer (a total of £1,650) to reflect its poor handling of the claim. He also recommended that Ageas refund Mr G's other related expenses, for example his gardening costs and replacement furniture.

Ageas disagreed with our investigator, so the case was passed to me to make a final 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.

Mr G's policy documents show that home emergency cover is an optional extra on his policy. His policy schedule shows he didn't take out this option. His policy booklet provides a phone number for emergency help for policyholders without emergency cover. Ageas' contractor attended Mr G's home on 13 September 2022, six days after he reported the flood. While I understand why Mr G thinks Ageas' response was too slow, I accept Ageas' statement that its contractor attended in line with the policy terms.

An internal email dated 16 December 2022 says Ageas approved repair costs on 30 October but more than three weeks later, on 23 November, its contractor advised that it couldn't carry out work before Christmas. The email concluded: "*The delay in booking the works is not acceptable*". It also described Mr G as being "*very reasonable and understanding, but understandably very frustrated and upset*." I agree with both statements.

I also note that the same email said work was scheduled for January 2023. This didn't happen so it's disappointing that it took Ageas until April 2023 to offer Mr G a cash settlement. Given its contractor's inability to schedule repairs promptly, I think Ageas might reasonably have offered Mr G this type of settlement sooner.

I think the time it took Ageas to settle Mr G's claim was unreasonable. I disagree with Ageas' statement that its suppliers have all acted fairly and reasonably. I think Ageas should compensate Mr G for this.

While Ageas accepted its delays carrying out repairs led to the fly infestation, I think it's unfair for Ageas to argue that it shouldn't be responsible for the vermin infestation. Mr G has provided photos showing the mice in his home as well as the traps he had to set and the damage to his furniture.

Ageas says mice "*only need a gap the diameter of a biro to enter any property*". While that may be true, I think it's too much of a coincidence that the infestation happened while Mr G's basement door was left open. He'd been instructed to do this by Ageas' contractors to help the drying process. I think it's reasonable to conclude this infestation wouldn't have happened if Ageas' contractors had acted more quickly. As such, I think Ageas should refund Mr G the cost of replacing his damaged furniture.

I also think Ageas should refund Mr G other expenses related to the flood. For example:

- £300 gardening costs because Mr G couldn't access his gardening tools from his basement.
- £250 to the plumber who removed the toilet and other bathroom units.

I'm conscious this might not be a full list. If he hasn't done so already, Mr G should send Ageas a full list of these costs and Ageas should refund these, plus interest.

Finally, I think the combination of Mr G's personal circumstances and the unsanitary living conditions that resulted from the flood mean he might reasonably have been considered a vulnerable customer. The impact on Mr G was greater than it might otherwise have been for another policyholder. He's described the impact the situation has had on him, including being unable to have family visit his home. I think this makes Ageas' delays resolving his claim even more unacceptable.

In my opinion, Ageas' poor handling of his claim has caused Mr G substantial distress and inconvenience. I agree with Mr G that Ageas' £500 offer isn't enough. As our investigator explained, this isn't in line with our redress guidelines. Instead, I think the award proposed by our investigator is fair.

My final decision

My final decision is that I uphold the complaint and require Ageas Insurance Limited to:

- Pay Mr G £1,650 to reflect the distress and inconvenience it caused him. It can deduct the £500 it has already paid him.
- If it hasn't already done so, refund Mr G any other expenses related to the flood damage and vermin infestation. This includes – but is not limited to – his gardening costs (£300) and the cost of his replacement furniture (£1,257.98).
- Ageas should add interest to these refunds at 8% simple per year from the date of payment to the date of settlement.*

*If Ageas considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr G how much it's taken off. It should also give Mr G a certificate showing this if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 13 October 2023.

Simon Begley
Ombudsman