

The complaint

Mr A complains about Ageas Insurance Limited's handling of a claim he made under his home insurance policy.

What happened

In mid-2022, Mr A made a claim under his home insurance policy with Ageas after an airline lost his luggage.

Mr A said he'd made a claim with the airline, but 28 days had passed, and he hadn't heard anything back. Ageas asked Mr A to send it a list of his lost contents and any receipts he could provide.

After Mr A informed Ageas that the airline had offered him some compensation for his lost luggage, it asked him to provide his flight itinerary and correspondence from the airline. Following the receipt of further information from Mr A, Ageas said it couldn't consider his claim. It told Mr A that it wouldn't cover his loss as this was already being covered by the airline.

Mr A raised a complaint with Ageas. He said the airline had only offered him part of the value of his lost items, which he hadn't accepted because of Ageas' advice. He didn't think it was fair that Ageas had closed his claim.

Ageas maintained its position, so Mr A asked our service to consider his complaint. Our investigator thought Ageas had treated Mr A unfairly by not considering his claim. He also thought its communication with Mr A was unclear. The investigator recommended that Ageas consider Mr A's claim in line with the policy terms, and pay Mr A £150 for distress and inconvenience.

Ageas disagreed with our investigator's outcome. It said the airline had offered and covered Mr A's loss in full and he could not claim for the same loss twice. It questioned why Mr A had accepted a lower cash settlement from the airline when they had offered to cover the claim in full once receipts and proof of purchase were received.

Ageas also commented that it would require the same or higher level of validation for the lost items. It said that after a full file review and all validation possible being completed it could confirm that even if it was to settle Mr A's claim it would only look to make a payment of around £43, after deducting the payment made by the airline and the policy excess. Ageas said it had stated that the airline would be the most appropriate pathway for Mr A to claim for his lost belongings as they had already said they would cover his loss if he provided evidence of the original receipts. Ageas would require the same or higher level of validation for the lost items. It said Mr A had already accepted payment in full, from the airline and Ageas hadn't told him it would cover any amount the airline did not. So, the complaint has been 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.

Having done so, I've reached broadly the same conclusions as our investigator. I'll explain why.

Mr A's policy included cover for "*personal belongings away from home*". According to the terms, Mr A was insured for "*loss or damage to (his) or (his) family's personal belongings, money and credit cards in the European area. Cover is also provided anywhere else in the world for up to 60 days in any period of insurance*".

The terms go on to say that the most Ageas will pay is the amount stated in Mr A's policy schedule, which is showing as £1,000.

Ageas says it couldn't offer cover on the policy because the airline had given Mr A the option to fully recover the loss for his items. It says it cannot offer cover for a loss whilst it is being covered elsewhere. However, I can't see anything in the terms that states this. Nor has Ageas referred to any wording in its policy documents that might be relevant.

Ageas has commented that the airline gave Mr A the opportunity to provide further evidence, but he hadn't done so.

Mr A says that he didn't initially accept the airline's offer of 432 USD. He sent further evidence to support his claim to the airline, but it didn't respond.

Within the information Ageas sent to our service, there is an email from Mr A to Ageas (dated 3 August 2022) where he forwarded an email he'd sent to the airline (dated 25 June 2022). His email to the airline lists the lost items and says that he managed to get some receipts, but other receipts were in the suitcase. He says he's completed it as best as possible with some receipts available.

In the covering email to Ageas, Mr A says: "*I have contacted the airline in question 3 times over the last month with no response so under [sic] were [sic] to go with this one*". So, it looks like Mr A did attempt to provide further evidence to the airline. And I'm satisfied that Ageas was aware of this when it responded to his complaint.

Ageas has also commented that Mr A also had the option not to accept the compensation advised by the airline and seek settlement through Ageas again, but this was not done. However, I can't see that Ageas advised Mr A of this option.

In an email Mr A sent Ageas after receiving its response to his complaint he said: "*They have offered me 462 dollars which I have not accepted as per your advice so how can you close my claim*". Mr A has provided a remittance advice from the airline dated October 2022. So, it looks like Mr A accepted the airline's offer after Ageas had refused to consider his claim.

Ageas says that even if it had considered Mr A's claim it would likely have declined it for a different reason or paid only a small settlement. However, I haven't considered whether or not it would be fair for Ageas to rely on a policy exclusion to decline the claim, or whether the amount it says it might pay if it were to settle Mr A's complaint is reasonable. These considerations go beyond the scope of this complaint.

However, I think it's worth mentioning that I've listened to a recording of the call where Mr A first notified Ageas of his loss, on 15 June 2022. In this call he said he thought the value was "about £1,800", rather than the £800 Ageas has noted.

I don't think it was fair for Ageas to have refused to consider Mr A's claim for the reason it did. So, I think Ageas should consider Mr A's claim in line with the policy's terms and conditions.

I think Ageas should have properly considered Mr A's claim and it should also have communicated more clearly with him. I think it was frustrating for Mr A to be referred back to the airline, when he'd shown Ageas that the airline hadn't responded to him after he'd provided further information to try to evidence his loss. Mr A says he found the claims process vague.

I think Mr A was caused some unnecessary distress and inconvenience as a result of the poor customer service he received. So, I think it would be fair for Ageas to pay Mr A £150 to compensate him for this.

Putting things right

Ageas should:

- Consider Mr A's claim, in line with the policy's terms and conditions.
- Pay Mr A £150 for distress and inconvenience.

My final decision

For the reasons I've explained, I uphold Mr A's complaint and direct Ageas Insurance Limited to put things right by doing as I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 14 July 2023.

Anne Muscroft
Ombudsman