

## **The complaint**

Mrs O has complained about the way Ageas Insurance Limited handled her claim under her car insurance policy once it took it over from an after the event insurer linked to her broker, who I'll refer to as A. She's also complained about the fact that Ageas wouldn't insure the replacement car she purchased.

## **What happened**

Mrs O's car was damaged when a van driver reversed his van into her car. She contacted her insurance broker to make a claim. She was referred to A, who was to help her claim for the damage to her car against the other driver's insurer (the third party insurer). A also arranged a hire car for Mrs O with the intention of claiming the cost of this back from the third party insurer.

On 14 June 2023 A decided to hand the claim over to Ageas as a claim by Mrs O against her own insurer. Ageas tried to contact Mrs O without success initially. But it eventually spoke to her and said it would inspect her car. It struggled to locate the car, but did manage to inspect it and make Mrs O an offer on the basis it was a write-off. Mrs O accepted the offer.

Mrs O has said she asked Ageas where her car was so she could collect her personal effects from it. She was told it was at a garage, but when she took the day off work and went there, it wasn't there. It had been moved to Ageas's salvage agent. Eventually, Mrs O's personal effects were sent back to her. She also bought a replacement car and tried to add this to her existing policy. But she wasn't able to do this.

Mrs O complained to Ageas about its poor handling of her claim and the fact she couldn't add her replacement car to her policy. Ageas issued two final response letters. One about the claim in which it said it hadn't been asked to start the claim under her own policy until 14 June 2023 and it had made an offer on it on 30 June 2023. So it thought it had handled it in a reasonable time. In its other final response it explained Mrs O's replacement car wasn't the type of car Ageas insured, which was why it was correct she was told she could not add it to her existing policy.

Mrs O wasn't happy and asked us to consider her complaint against Ageas. One of our investigators did this. She didn't uphold it. She said Ageas had handled Mrs O's claim in a reasonable time. And that it was entitled to decline to cover her replacement car.

Mrs O didn't agree with the investigator's view. She said the investigator had overlooked some things. In particular, that her hire car was taken away because Ageas took so long to deal with her claim. And she reiterated the fact that she had problems when she tried to collect her personal belongings.

As Mrs O didn't agree with the investigator's view the case was referred to me for a decision.

I issued a provisional decision on 23 January 2024 in which I set out what I'd provisionally decided and why as follows:

*I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

*Ageas did only start dealing with Mrs O's claim against her own policy on 14 June 2023. Before this it was handled by A. So Ageas isn't responsible for anything that happened prior to 14 June 2023, as this is all the responsibility of A.*

*Ageas does seem to have had some trouble with A in locating Mrs O's car so it could inspect it. And once it had done this it made an offer to settle Mrs O's claim quickly. So, I think it provided an acceptable level of service in this regard.*

*Mrs O's hire car was taken back because A had asked Ageas to take over the claim for her car against her own policy. So, the fact her hire car had to go back was not down to anything Ageas did wrong.*

*I can also see the replacement car Mrs O wanted to add to her existing policy wasn't one that Ageas would accept, as it didn't meet its underwriting criteria. This was a commercial decision and not one it would be appropriate for me to interfere with. Plus, Ageas allowed Mrs O's broker to cancel her policy for her without making a cancellation charge. So, I think Ageas acted reasonably in this regard as well.*

*The only thing it seems Ageas got wrong was telling Mrs O her car was still at a garage not far from her and that she could go there and collect her personal belongings from it. I say this, as it does seem from Ageas's claim handling notes that one of its advisers told Mrs O this, when by this time her car had in fact been moved to Ageas's salvage agent. This led to Mrs O going to the garage, having taken time off work, only to find her car wasn't there. There appears to have been a clear error by Ageas's agent, as he should have made sure Mrs O's car was still at the garage before sending her there. And it's not something Ageas addressed in either of its final responses, despite Mrs O complaining about it. And I think this error caused Mrs O unnecessary distress and inconvenience and that Ageas should pay her £100 to compensate her for this.*

*In summary, I don't think Ageas did anything wrong in terms of how quickly it inspected Mrs O's car and made its offer to settle her claim. Or in respect of its decision not to add her replacement car to her policy. But it did make an error in sending Mrs O to a garage to collect her personal belongings from her car when it wasn't actually there. And I think this error warrants a compensation payment for distress and inconvenience of £100.*

I gave both parties until 6 February 2024 to provide further comments and evidence.

Mrs O has responded to my provisional decision with some further comments. She has explained that she had no problem with the timeliness of Ageas, but she did with the way her claim was managed. She has said she was provided with conflicting and differing information and had to re-explain what was happening each time she called.

Mrs O has also said she is concerned that her premium 'soared' from around £700 to around £4,000 when she insured her new car through A. She puts this down in part to the fact that her claim was not closed until November 2023 until Ageas had recovered all its costs. Mrs O also provided an advert to show Ageas was willing to insure the type of car she bought to replace her existing car, despite it saying it would not insure hers.

Ageas didn't have any further comments or evidence it wanted to provide. But our investigator asked it to comment on the fact that it seemed it was able to provide cover for the model of car Mrs O had asked to insure through A, despite A saying this wasn't possible.

Ageas has explained that it would insure that type of car direct, but it would not do so via A.

### **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, my view on the fair and reasonable outcome to Mrs O's complaint remains the same as set out in my provisional decision.

I do of course appreciate what Mrs O has said, but from what I have seen, once it took over Mrs O's claim Ageas provided an acceptable level of service, apart from telling Mrs O to go and collect her personal belongings after her car had been moved. I think the problem Mrs O had in having to re-explain things was prior to Ageas taking over the claim, which would have meant its claims department had no record of a claim and would have had to check with Mrs O what had happened and then pass her on to A or arrange for A to call her.

I can see why Mrs O thinks Ageas should have insured her new car. But, the sorts of cars it will insure through A, compared to direct, are different. And it's not unusual for an insurer to have different criteria for direct customers to those it has through a broker like A. So, I do not consider Ageas did anything wrong in refusing to provide cover for Mrs O's new car through A.

I also appreciate Mrs O's premium went up. And this may be in part due to the type of car she now has and in part due to her claim. If it was because her claim was open until November 2023 and it has now been closed, she can approach A to arrange an appropriate refund with her new insurer. All I would say is that it is reasonable for an insurer to keep a claim open until it has recovered all its costs.

### **Putting things right**

It therefore follows, that for the reasons set out above and in my provisional decision, my final decision is to uphold Mrs O's complaint and make Ageas pay her £100 in compensation for distress and inconvenience.

### **My final decision**

I uphold Mrs O's complaint and order Ageas Insurance Limited to pay her £100 in compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O to accept or reject my decision before 4 March 2024.

Robert Short  
**Ombudsman**