

The complaint

Mrs S has complained that Ageas Insurance Limited (Ageas) unfairly dealt with a claim under a home insurance policy.

What happened

Mrs S's home was broken into and jewellery and other items were stolen. Mrs S contacted Ageas to make a claim. Ageas asked Mrs S for more details about the claim and the stolen items. Ageas later closed the claim because it didn't hear from Mrs S. A while later, Mrs S provided further details. So, Ageas reopened the claim and continued to assess it. It later agreed to settle the claim, but said it would only pay £5,000 for the stolen jewellery items, which was the relevant policy limit.

Mrs S complained to Ageas. She was unhappy about the amount of time it had taken to progress her claim and the information requested. She also didn't think she should only be offered £5,000 for the jewellery because it was worth much more than that.

When Ageas replied, it didn't uphold the complaint. It said that after it set-up the claim, it asked Mrs S for information, but she didn't provide this for several months. When Mrs S replied, Ageas needed further information. When Mrs S later provided this, it said it was only part of the requested information. It also said that because Mrs S didn't keep the jewellery in a safe, she didn't have cover in place. It said this was explained in the policy documents. However, because she had previously been told it would pay up to £5,000 for the jewellery claim, it agreed to honour this.

Mrs S asked this Service to consider her complaint. An Investigator at this Service didn't uphold it. She said it wasn't disputed that the jewellery wasn't kept in a safe. The policy terms also explained the limits for jewellery claims. She said although there were months of delays, Ageas requested the information and there was then a delay in Mrs S providing it. She didn't think there was reason to say Ageas was responsible for the delays. It was also reasonable for Ageas to request information about the claim.

Mrs S didn't agree it was fair for it only to offer £5,000 for the jewellery. She had also submitted information to Ageas and then months later had to chase it for a response. She also said it was clear from the outset that her claim was going to be worth far more than £5,000. She said her claim had been handled unfairly. So, the complaint was referred to me.

I issued my provisional decision on 19 September 2024. In my provisional decision, I explained the reasons why I was planning to uphold the complaint in part. I said:

As part of looking at this complaint, I've considered whether Ageas fairly dealt with Mrs S's claim and provided her with the information she needed to progress it.

Mrs S complained about the amount she was offered for her jewellery. Mrs S has said it isn't fair that the settlement for the jewellery was limited to £5,000. When Ageas responded to the complaint, it said the policy documents said:

“Section 1- Contents:

What We won't pay for:-

Theft or attempted theft: if the total value of all Jewellery in Your Home exceeds £5,000, unless the Jewellery and watches are kept in a locked safe when not being worn or carried by You or Your Household”

So, this said a claim wouldn't be paid at all for jewellery if the total value exceeded £5,000, unless it was kept in a safe. I've read the Insurance Product Information Document (IPID) issued to Mrs S for the policy year in which the burglary took place. This said:

“Cover is restricted to £5,000 for theft of jewellery unless from a locked safe when not being worn”

So, this indicated that cover for jewellery was limited to £5,000 unless it was from a locked safe, rather than there being no cover at all.

It isn't in dispute that the jewellery wasn't in a locked safe when it was stolen from Mrs S's home. During the claim, Ageas told Mrs S the claim would be limited to £5,000 because of this. It later decided the jewellery claim shouldn't have been covered at all because it wasn't in a safe, but agreed to pay up to the £5,000 limit because of what Mrs S had previously been told. Although it seems that Ageas relied on the wrong policy wording, from what I can see this didn't make a difference to how Mrs S's claim was dealt with. Ageas agreed to pay up to the £5,000 limit for jewellery that wasn't stolen from a locked safe. So, I think that was fair.

Mrs S told this Service that Ageas' jewellery company told her she was “owed a minimum of £18,000+ ... and that was the minimum she should receive from her insurers”. I asked Ageas for the call in which this was discussed. Its jewellery company said it had no record of a call with Mrs S in the period she said it took place. So, I don't know which phone call she is referring to. But an insurer is entitled to review a claim and the policy limits before agreeing a settlement. Even if the jewellery company provided Mrs S with information in the way she described, I still don't think Ageas was required to pay that amount to settle the jewellery part of the claim.

Mrs S also complained about delays with the claim. When Mrs S contacted Ageas to make the claim, Ageas asked for more details. When Mrs S replied, she said she was waiting for information from the police. A few months later, when Ageas had heard nothing further, it closed the claim. A few months after that, Mrs S contacted Ageas again and provided some photos, a list of stolen items and some proofs of purchase. However, Ageas needed more information, including proof of purchase for a laptop. So, it requested this. It also referred the jewellery claim to its jewellery company.

When Ageas asked the jewellery company for an update, it explained that Mrs S had said she had recently had a baby, so it would take time to obtain the requested information. A few months later, Ageas closed the claim again because it hadn't heard anything further from Mrs S. About a year after the jewellery company contacted Mrs S, she contacted Ageas and asked for an update on the claim. From what I can see, Ageas then followed up with the jewellery company and tried to progress the claim again. It was also at this point that Ageas seemed to review the claim and identified that the value of Mrs S's claim was significantly more than £5,000. It also asked Mrs S to complete a “Value at Risk checklist” for all of her Contents. Mrs S asked why it was necessary for her to complete this form and Ageas explained it was due to the value of the claim and the contents sum insured. From what I've seen Mrs S replied about two months later and asked if every field needed to be completed on the form. A couple of months later Mrs S returned the completed form. A loss adjuster

then contacted Mrs S to try and progress the claim. Following this, Mrs S was offered a settlement, which she rejected.

The claim took nearly three years to reach the stage where settlement was offered. Mrs S said she had to chase Ageas a lot to progress the claim and that its communication was inadequate. Having looked at the details of what happened, I think Ageas did try to progress the claim, but when it didn't hear from Mrs S, it closed the claim on a couple of occasions. I don't think that is unusual.

Ageas also needed further information to support the claim, which Mrs S thought was unnecessary. It's my understanding that Mrs S had some difficult personal circumstances during this claim, which I was sorry to learn of, and affected her ability to deal with the claim. But, it's normal for an insurer to ask for information as part of assessing a claim. This can include information about the total value of items insured and doesn't have to be limited to what a policyholder thinks is relevant. I don't think it was unusual for Ageas to ask for information, including about the wider value of Mrs S contents beyond what she was claiming for as part of the claim. I'm aware it was difficult for Mrs S to obtain some of the information to support her claim, including because not all of it was in the UK. She also thought it was unfair to be asked to do this if it didn't intend to pay her more than £5,000 for the jewellery. But Ageas was entitled to validate the claim, including for all the jewellery claimed for, not just up to the policy limit.

Mrs S has also said Ageas didn't offer her a settlement for all the stolen items. I asked Ageas about this. It said it offered Mrs S £6,500 in total, which was made up of £5,000 for the jewellery, £1,000 for the laptop and £500 cash. It said Mrs S rejected the offer. It said it had included a watch in the jewellery settlement. But it had accidentally omitted the fitness and activity tracker from its settlement offer.

So, overall, I think it was reasonable for Ageas to offer £5,000 for the jewellery and that it didn't need to offer more for this part of the claim. I also think Ageas tried to progress the claim when it could and I don't think I can fairly hold it responsible for the time it took it to reach a point where it could offer a settlement. I also think it was reasonable for it to request information to validate the claim, despite it sometimes being difficult for Mrs S to obtain the information. From what I've seen, Ageas also offered a settlement for most of the items claimed for, although I'm aware Mrs S didn't seem to be aware of this. However, it should also have explained what settlement, if any, it was offering for the fitness and activity tracker.

So, I currently intend to say that Ageas should put its full settlement offer to Mrs S, so she is aware of what this includes. As part of that, it should explain what settlement, if any, it is offering for the fitness and activity tracker. It is then for Mrs S to decide if she is willing to accept the settlement offered.

I asked both parties to send me any more information or evidence they wanted me to look at by 3 October 2024.

Ageas replied and, in summary, said:

- The offer of a full settlement had previously been put to Mrs S on 28 September 2023. As the offer had not been accepted and as no bank details were held, no payment had been raised.
- It said the fitness/ activity tracker was a fitness watch and formed part of the jewellery claim.
- It believed its full settlement offer of £6,500 had been confirmed and detailed for Mrs S. It awaited Mrs S's bank details to issue the settlement.
- It provided an email to Mrs S in which it told her that it was willing to offer £1,000 for her laptop and that this brought the total settlement to £6,500.

Mrs S replied and, in summary, said:

- She respected that I had found the delays weren't unreasonable, but she personally found the process to be unnecessarily complicated. She also found Ageas' attitude to be obstructive, such as implying that it was doing her a favour by paying her the £5,000 owed.
- She outlined the amount she believed was owed to her.
- She said she should be paid at least £2,000 for her laptop, not £1,000.
- Ageas failed to include other items that were stolen and reported by her. This was a customised embossed leather jewellery box and a branded wallet.

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 uphold this complaint in part and for the reasons given in my provisional decision. As part of that, I've looked at the comments from both parties and thought about them.

I've read the email in which Ageas explained to Mrs S the settlement it offered for the laptop and for the claim overall. This was a fairly brief email offering £1,000 for the laptop in the absence of any supporting ownership documents and giving a total settlement figure of £6,500. I think the comments provided by both parties show why Ageas should put its full settlement offer to Mrs S. By this, I mean that it needs to explain how it's settling items rather than just providing the total figure of £6,500.

To clarify, I have described an item as a fitness and activity tracker in my decision because it will be published, so I want to minimise any potentially identifiable information about this complaint. But when I previously asked Ageas about this, I said what the branded item was. Ageas thought it had missed this from the settlement offer. Although Ageas has now said it was included in the jewellery settlement, I think this illustrates that just providing the global figure doesn't show what was included and whether anything has been missed.

Mrs S has now said other items have been missed. I can see these items on a list of stolen items provided by Ageas to this Service. So, Ageas needs to explain to Mrs S if it is offering a settlement for them. Once Ageas had confirmed the full details of the settlement to Mrs S, it is then up to Mrs S to decide if she wants to accept it.

My final decision

For the reasons I've given above and in my provisional decision, my final decision is that this complaint is upheld in part. I require Ageas Insurance Limited to put its full settlement offer to Mrs S, so she is aware of what this includes.

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

Louise O'Sullivan
Ombudsman