

The complaint

Mrs L complains about the way Ageas Insurance Limited handled a claim she made under her home insurance policy.

Mrs L is represented in this complaint by her daughter but, for ease, I'll refer to Mrs L throughout.

What happened

Mrs L had a home insurance policy with Ageas. In January 2023 there was an escape of water at her home while she was on holiday. When she returned and discovered what had happened, she made a claim on her insurance policy. Ageas instructed several agents to start the process of clearing and repairing her home. It later instructed a loss adjuster (company A) to manage the claim on its behalf. Company A appointed another company (company R) to source alternative accommodation for Mrs L while the work was progressing.

It took about three months for company R to secure alternative accommodation for Mrs L. In the meantime it paid for her to stay in a hotel. Mrs L complained about the delays in finding alternative accommodation. She described the difficulties she was experiencing while staying at the hotel and said it was the poor communication between companies A and R that was causing the delays in arranging more suitable accommodation. Mrs L also said the stress and anxiety caused by these events had exacerbated an existing health condition, culminating in an admission to an intensive care unit and a subsequent operation.

Ageas highlighted the terms and conditions of Mrs L's policy and noted that some of the properties found by company R had been rejected because they hadn't met her requirements. But it accepted Mrs L hadn't received the standard of service she should expect. So, it apologised for that and paid her £450.

Mrs L didn't think Ageas had resolved her concerns and so brought her complaint to this service. She also included a second complaint about the delays and poor service provided by company A when she asked to be reimbursed for the costs of a dehumidifier, utility bills and car parking charges. Ageas confirmed it was happy for us to investigate this matter as well.

Our investigator didn't think Ageas needed to do anything further. She recognised it had got some things wrong but she thought the compensation offered by Ageas was reasonable in the circumstances. As Mrs L didn't agree, her complaint was passed to me to make a final decision.

I reached a different conclusion to our investigator, so I sent a provisional decision to Mrs L and Ageas to give them an opportunity to comment. Ageas said it was happy with my decision while Mrs L didn't reply. So, my findings and my decision below are substantially the same as set out in my provisional 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.

As with any complaint about events that cover a long period of time, there's a lot of issues to consider here. I won't refer to every aspect of Mrs L's complaint and instead I will focus on the main issues she's raised. Those are mainly based on the delays and poor service Ageas provided when sourcing suitable alternative accommodation and reimbursing her for some of the payments she made.

Alternative accommodation

As I've said, it took about three months for company R to arrange suitable alternative accommodation for Mrs L and it was actually her daughter who found that property. Mrs L says company A caused much of the delay by taking too long to approve the property costs, by which time the properties were no longer available. While poor administration by company R meant her time at the hotel was unsettled as she had to move rooms when her stay hadn't been extended. She said company R was also using outdated search parameters. Mrs L says her daughter spent a lot of time liaising with companies A and R and complained about the time she spent waiting to get through plus the failure of both companies to follow through on the issues she raised.

For their part, company A didn't think there had been any unnecessary delays. They said they had approved a number of properties but they'd been rejected by Mrs L as not being suitable, either because of their location or because they didn't have enough bedrooms and bathrooms.

Mrs L's policy says that if she cannot live in her home because of damage that's covered by her policy, Ageas will pay the reasonable cost of alternative accommodation until she can live in her home again. Mrs L says she was told she should expect like for like accommodation but that's not the case and Ageas was only ever responsible for providing accommodation that was suitable for her needs. Ageas said it wouldn't have told her it would provide a property on a like for like basis but, whatever the case, it would seem there was some miscommunication here that led Mrs L to expect more than was initially offered by company R. That will have caused some of the delay.

Nevertheless, I can understand Mrs L's frustration about the length of time it took company R to arrange alternative accommodation and the lengths her daughter had to go to in order to facilitate the communication between all the relevant parties. Ageas has acknowledged and apologised for the poor service provided and offered compensation for the impact. I will go on to consider whether or not I think that amount was fair and reasonable in all the circumstances.

Delays in reimbursing her expenses

Mrs L wasn't happy with the time it took company A to reimburse her for several costs she incurred. She submitted claims for those expenses in September and October 2023 and she didn't receive the final payment until seven months later. In between times, Mrs L says her daughter had to spend a significant amount of time chasing the issues and trying to progress matters.

Company A said it needed to substantiate the costs before they could validate them. There was also some debate about the amount owed for the utility bills. So, I think it was fair for Ageas to ask for further information from Mrs L before finalising the costs it owed. I note that

it also made two interim payments to Mrs L while it was finalising the total amount due.

While I would expect Ageas to take reasonable steps to validate any expenses claimed by Mrs L, I'd also expect it to reimburse her as quickly as possible. From the evidence I've seen, it's unclear why it took as long as it did to validate and approve Mrs L's expenses. I note that Ageas also made a mistake in its calculations and deducted the policy excess of £250 even though Mrs L had already paid that amount. She had to send proof of that payment before Ageas apologised and reimbursed her.

In summary, and in the absence of a clear explanation of why it took so long for Ageas to pay these expenses, I think it should take responsibility for much of the delay in reimbursing Mrs L and for the poor service it provided.

Impact on Mrs L

I should start by saying that I can only consider the impact of Ageas's poor service on Mrs L as the policy holder and customer of Ageas. In this case Mrs L's daughter was representing her and it was her daughter who experienced the brunt of Ageas's poor service. I can understand the frustration and upset she felt but, in reaching my decision, I can only focus on the impact on Mrs L.

The delay in finding alternative accommodation meant that Mrs L had to stay in a hotel for longer than necessary. While there, she said she had to change rooms on a frequent basis, there were no catering facilities, and she was living out of a suitcase. She also said she was left with no accommodation on several occasions because of poor administration by company R when extending her stay. I have no doubt these events will have caused Mrs L a significant amount of distress and inconvenience.

Mrs L also described the impact on her health. She said she was hospitalised soon after the leak in her home due to a health condition. And the issues reoccurred frequently over the following months, culminating in another hospital admission in May 2023, a subsequent operation and then another emergency readmission. She says the stress and anxiety caused by Ageas's poor service exacerbated her health conditions.

Mrs L provided a letter from her doctor that said the stress she'd been under due to the flood at her home is likely to have contributed to her medical problems. Our investigator pointed out that the letter only says the flood is likely to have added to her medical problems and doesn't specify that Ageas's actions will have done so. Mrs L thinks our investigator took too narrow a view but I think she was right to say that we can't assume from what the doctor said that they believe it was the poor service by Ageas rather than the flood itself that exacerbated her medical problems. And it's important we distinguish between the two as this sort of claim is always likely to cause a great deal of distress and inconvenience even when the claim is handled smoothly. The fact that Mrs L had to move out of her house was not due to any fault or poor service by Ageas and I'm sure that event, in itself, will have caused a great deal of distress and upset for Mrs L.

That said, Ageas acknowledged the service it provided could have been better. And Mrs L had to stay in hotel accommodation for longer than was necessary. I think it's reasonable to assume that the poor service Ageas provided will have added to the stress and anxiety she experienced, and I can understand how that will have exacerbated her health condition.

As for the delay in reimbursing Mrs L for her expenses, I haven't seen any evidence to show she was caused any financial loss by that delay. I can understand the frustration and upset Mrs L's daughter undoubtedly felt while she was trying to resolve matters, spending time contacting Ageas and its agents and finding it hard to make any headway. But I have to

focus on the impact on Mrs L herself. And while I'm sure she too felt frustrated and angry by Ageas's actions, she would have been one step removed.

Putting things right

Mrs L doesn't think Ageas's offer of £450 was adequate compensation for the impact it caused. And, having carefully considered the evidence, I too believe a higher amount would be more appropriate in all the circumstances of this case. I think a total amount of £700 would be a fair and reasonable amount for Ageas to pay for the impact on Mrs L. In particular for the significant inconvenience and disruption she experienced while at the hotel she had to stay in for longer than was necessary, which would have exacerbated her pre-existing health condition. And for the frustration and annoyance she was caused by the poor service she experienced while at the hotel, which was subsequently compounded by the delay in paying her expenses.

My final decision

In light of my findings above, my final decision is that Ageas Insurance Limited should pay Mrs L a total of £700 to settle this complaint. It can deduct any amount it has already paid if it can provide evidence of that payment.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L to accept or reject my decision before 28 November 2024.

Richard Walker
Ombudsman