

The complaint

Mrs M complains about how Ageas Insurance Limited (Ageas) dealt with a claim under her home insurance policy for damage caused by an escape of water.

References to Ageas in this decision include their agents who provide services under the policy.

This decision covers Mrs M's complaint to this Service in October 2023 about continuing delays in her claim and repair of the damage to her property, from February 2023 to October 2023. This follows two earlier complaints to this Service. This decision doesn't cover the issues in the earlier complaints but focuses on the period February to October 2023.

What happened

The events in this case began in October 2021, when there was an escape of water at Mrs M's property. A timeline of events from then through to Ageas's final responses in November 2022 and February 2023 was included in this Service's consideration of the two earlier complaints. So, it is not reproduced in detail here.

This Service issued views on Mrs M's previous complaints, respectively, in March 2023 (covering events to August 2022) and in September 2023 (covering events to February 2023). The first view upheld Mrs M's complaint, increasing compensation from £300 awarded by Ageas to £600 and recommending payment of disturbance allowance from the start of the claim to August 2022. The second view didn't uphold the complaint, concluding Ageas's award of compensation (a total of £550 contained in three final responses) was fair.

Mrs M raised a further complaint in October 2023 about progress with the claim from February 2023. She raised several issues, the more significant being:

- Delays from February 2023 to October 2023
- Lack of communication from February 2023 to October 2023
- Ageas's contractor backing out from the repair work with no timely replacement contractor
- Poor response from the firm managing the claim (D) when contacted by Mrs M
- Disruption to Mrs M's daily life, now some two years from the original incident, with no clear indication when the claim will be settled
- Non-payment of disturbance allowance
- Council Tax on the property doubling because the local council deemed the property to be long-term empty – Mrs D wanted Ageas to cover the increase.
- Mrs M was happy with the new Ageas claim handler and wanted them to remain with the claim.

Mrs M asked for £3,000 compensation for the issues raised in her complaint.

As Mrs M raised a new complaint with this Service, we asked Ageas to consider the issues she raised. They issued a final response in December 2023, upholding the complaint in part. Ageas noted Mrs M had been offered two options for the completion of the repair work at her

property, the first an alternative contractor appointed by Ageas or the second being for Mrs M to obtain a quote from her own contractor. Regarding compensation, Ageas confirmed payment of £300 in November 2022 and a further £300 in May 2023. A further payment of £200 was made in May 2023. Ageas also set out how the claim was being progressed but accepted there had been further delays. They awarded a further £100 compensation.

Our investigator then considered Mrs M's complaint, concluding Ageas hadn't acted fairly. From review of the evidence and information, she concluded there had been delays, including appointing a replacement contractor and issues with completion of strip-out work. She also concluded communication from Ageas with Mrs M had been lacking. Ageas had paid disturbance allowance for the period covered by Mrs M's complaint (and beyond). The investigator also noted the compensation payments made by Aviva over the whole period and payments for electricity costs. Ageas had also asked Mrs M to provide evidence of the increase in council tax at her property for them to consider if it would be covered under the policy. The investigator thought this reasonable. Ageas had also provided a schedule of works to Mrs M.

While significant compensation had previously been paid, the investigator concluded the further £100 awarded by Ageas wasn't sufficient for the additional delays and lack of progression in the claim. She concluded Ageas should pay a further £250, making a total of £350.

Mrs M disagreed with the investigator's view and requested that an ombudsman review the complaint. She didn't think the further compensation recommended by the investigator was sufficient for the continuing delays with the claim and repair work. She also wanted the ombudsman to look at the bigger picture with the claim.

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.

I'd first want to recognise what Mrs M has said about the claim and the time taken for it to progress since the original escape of water in October 2021, together with the impact this has had on her, including the health issues she has described. As set out at the beginning of this decision, I've considered events from the date of the previous two complaints (February 2023) through to Mrs M's further complaint in October 2023 (and Ageas's final response issued at the start of December 2023). My role here to decide whether Ageas has acted fairly towards Mrs M.

In considering the case, I've focused on the key issues included in Mrs M's complaint. I've considered all the available evidence and information available, provided by Mrs M and by Ageas. While I may not comment on every issue in detail, I've considered them when reaching my findings and conclusions.

Looking at the issues raised by Mrs M, I've considered them under several broad headings. First, the progress with the claim during the period, including progression of the necessary repair work to reinstate Mrs M's property. Second, how Ageas (and their agents) have communicated with Mrs M over the period. Third, the specific issue of the disturbance allowance payable to Mrs M whilst she was staying elsewhere. And finally, the question of council tax on her property, which the local council deemed to be empty on a long-term basis and therefore attracting a higher level of council tax.

On the first issue, Ageas's final response issued in December 2023 includes a summary of key events in the period. It includes the option for Mrs M to engage her own contractors to

carry out the necessary reinstatement work, or for Ageas to appoint a new contractor to carry out the work. From what I've seen, the latter was the option chosen by Mrs M and a new contractor (AT) was appointed and attended in July 2023, with a scope of works provided for Ageas's approval in August 2023. Once approved, AT re-attended the property but there was an issue with whether strip-out works had been carried out completely, meaning further attendance from the relevant contractor (SCI) was necessary, their being instructed in October 2023. Following SCI's attendance towards the end of October 2023, a start date for the reinstatement work by AT was scheduled for the end of November 2023.

There was some delay from the previous contractor removing themselves from the reinstatement work (February/March 2023) to AT's appointment in July 2023. I think it reasonable that Ageas would have had to take some time appointing a replacement contractor, also given Mrs M had the option to appoint her own contractor (or obtain quotes). I've seen exchanges between Mrs M and Ageas at the start of July 2023 in which she makes it clear getting quotes has been difficult and suggesting a replacement contractor appointed by Ageas would be the best way forward. AT were appointed shortly afterwards. So, while there was some delay, once Mrs M opted for a replacement contractor, the process progressed reasonably quickly.

Looking at the sequence of events, Ageas acknowledge some delay appointing SCI, which in turn meant delay in AT's scheduled start date. However, from what I've seen (and what Ageas have said) SCI re-attendance was due to the need to deal with flooring within a bedroom, which should have been identified and/or dealt with earlier. I'll consider the impact of this delay when considering what I think Ageas should do to put things right.

On communication, Ageas have provided copies of their exchanges with Mrs M, and I can see email exchanges over the period on the various issues, including contractor appointment, the need for SCI re-attendance and other matters. While there were some delays in responding, my overall impression is that Ageas were anxious to progress the claim, given the length of time since the original incident as well as what Mrs M told them about the stress of the situation and her health issues.

On the issue of reimbursement of disturbance allowance, from what Ageas have told us, they have now paid a £10 per day disturbance allowance covering the period considered in this decision, to November 2023 (and beyond, from what I've seen). So, I think that's fair and reasonable.

On the issue of council tax, it's important to note the remit of this Service doesn't extend to deciding what the appropriate level of council tax should be for a property, either occupied or – as in this case – unoccupied for an extended period. That responsibility lies with the relevant local council, who assess and collect council tax.

From the evidence and information I've seen, Ageas provided a letter in November 2023 for Mrs M to share with the Council explaining the situation with the property and the repair work. Ageas also asked for copies of all council tax bills for them to consider (from what Mrs M says, it appears the empty property additional council tax charge was applied from April 2023). What I haven't seen is what subsequently happened, though in any event that would fall outside the period covered by this decision.

Looking at what Ageas did in the period covered by this decision, I think it was fair and reasonable, communicating with Mrs M about the letter they would be willing to provide and asking for copies of council tax bills.

Taking all these findings and conclusions into account, I've concluded Ageas haven't acted fairly and reasonably in certain respects during the period covered by this decision.

I've then considered what Ageas should do to put things right. Ageas awarded £100 compensation in their final response for the issues they identified with their service and support to Mrs M. I've considered this figure in the context of the specific circumstances of the case, including the period covered, as well as the published guidelines from this Service on awards for distress and inconvenience.

Looking at what happened, I think Mrs M would have suffered considerable distress, upset and worry and significant inconvenience and disruption over several months. I think £350 compensation would be fair and reasonable. Ageas awarded £100, so if they've already paid the sum then they should pay Mrs M a further £250, to make a total of £350.

My final decision

For the reasons set out above, my final decision is that I uphold Mrs M's complaint. I require Ageas Insurance Limited to:

- Pay Mrs M a further £250 compensation for distress and inconvenience (assuming they have already paid the £100 they awarded) to make a total of £350.

Ageas Insurance Limited must pay the compensation within 28 days of the date we tell them Mrs M accepts my final decision. If they pay later than this they must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 5 February 2025.

Paul King
Ombudsman