

The complaint

Mrs and Mr P complain that Ageas Insurance Limited unfairly settled their claim made for damage to their septic tank and with avoidable delays, added to the claim journey.

What happened

Mrs and Mr P raised a claim with Ageas in June 2022 after they noticed damage to their septic tank.

Mrs and Mr P complained about the delays with the claim process and how this had impacted them. On 18 May 2023, a final response was issued addressing the progress of the claim from 13 June 2022 until the date of the response. The response said that Ageas didn't agree there was any avoidable delays up until this point with the handling of the claim and didn't uphold the complaint. It provided referral rights for Mrs and Mr P to bring their concerns to this service if they disagreed with the outcome provided, but said these needed to be raised within six months of the date of the final response.

A cash settlement was paid for the claim in August 2023, with payment made of £49,320. Mrs and Mr P complained that the cash settlement paid was unfair as it was not inline with the policy terms and what Ageas would have paid had it completed the works. They felt it had undervalued its assessment of the work to reduce its liability and what it needed to pay.

Ageas issued a second final response letter on 13 November 2023 and said it felt the settlement offered was fair and it didn't uphold the complaint points. As with the response in May, it provided referral rights to bring the complaint to this Service if unhappy with the response provided.

Mrs and Mr P brought their complaint to this Service, with the assistance of their representative, on 1 May 2024.

Our investigator looked at this complaint and explained that they didn't think they could consider everything Mrs and Mr P were complaining about. They said the complaint about any delays and anything dealt with in the final response issued on 18 May 2023 had been brought too late for us to consider. This is because the complaint had been raised more than six months after the final response. Ageas hadn't consented to us considering the complaint when it had been brought late and the investigator didn't believe the reason for the delay was because of an exceptional circumstance. So they couldn't look into this part of Mrs and Mr P's complaint.

They considered whether any delays had been added after 18 May 2023 and whether Ageas had made a fair settlement offer.

They didn't think the offer made by Ageas was fair or inline with the policy terms. As a result, they asked Ageas to pay the additional £4,927.72 that Mrs and Mr P said they need to pay, plus 8% interest on this amount from 17 August 2023.

They also felt that delays had been added from 18 May when Ageas was waiting for its

contractors quote and there was a further delay after this before the cash settlement was offered. So while they couldn't consider the delays prior to this point, they felt it was fair that Ageas recognised these later delays and make a payment of £250 in recognition of this.

Ageas said it didn't agree that it would always have paid a cash settlement up to the limit of its liability – so it wouldn't pay Mrs and Mr P more than the repair would cost if it was less than this. But it was willing to, on receipt of invoice, pay up to an additional £4927.72 with interest added from the date of the repair invoice. It was also willing to pay the £250 recommended for the delay.

Mrs and Mr P accepted the proposed settlement to pay up to the additional amount of £4927.72 for the work completed. However, they didn't think the award recommended went far enough to reflect the distress and inconvenience caused with the delays.

Our investigator explained why they could not consider any delays prior to the final response issued on 18 May 2023 and they felt the award recommended was fair and reasonable, in line with this Services approach. Mrs and Mr P continued to disagree with the award for distress and inconvenience and asked that the complaint be referred for 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.

I've decided to uphold this complaint, for much the same reasons as our investigator. I appreciate Mrs and Mr P will be disappointed by this, but I'll explain why I've made this decision.

Mrs and Mr P have accepted Ageas' offer to pay up to £4927.72 following our investigator's opinion on this. So, I've not focused on this in my decision as this element of the complaint is no longer in dispute. Instead, I've focused on the concerns Mrs and Mr P have on the award recommended for the distress and inconvenience.

This service is not free to consider all complaints that are brought to it. The Financial Conduct Authority (FCA) sets out the rules that include which complaints we can and cannot look into. We are bound by these rules, called the Dispute Resolutions Rules (DISP). These can be found in the FCA Handbook and are available online.

DISP 2.8.2 explains this service cannot consider a complaint brought more than six months after the date of the final response. The only exceptions to this are if the business complained about, consents to us considering the complaint after it has been brought late, or if we feel the reason for the time delay was the result of an exceptional circumstance.

Mrs and Mr P received a final response on their complaint on 18 May 2023 and this explained they had six months to bring the complaint to this Service if they were unhappy with the outcome. The complaint was not brought to us until May 2024 and had been brought outside of the six-month time limit. So the complaint has been brought too late.

I appreciate Mrs and Mr P continued to speak with Ageas about the progress of the claim after this and issues were still being considered with reference to the settlement. But this doesn't extend the time limit, nor is it anything that could be considered to be an exceptional circumstance. Ageas has not consented to us considering the earlier complaint points, so I agree with our investigator, we cannot consider any delay on the claim prior to 18 May 2023.

After the 18 May 2023, it appears delays were added. The quotes from Ageas contractors

were not received as quickly as they could have been and with it being accepted that Ageas should have increased its cash offer, the delay with this has caused further inconvenience and stress.

The nature of the claim Mrs and Mr P have made means the level of disruption and inconvenience will be high, even if everything goes smoothly with the claim process. I appreciate the comments Mr P has made about the distress added when they didn't have a functioning foul service for longer because of the delays added. But with Mr P agreeing to cover the shortfall to allow the reinstatement work to be progressed, he took steps which mitigated this. And the uplift in the cash settlement with the addition of 8% simple interest is made to reflect him needing to use his own funds at this point.

Mrs and Mr P have said they feel an award of up to £1500 is fair for the distress and inconvenience they've experienced but I don't agree this is a fair and reasonable amount.

While it would clearly be distressing having to make the changes they did to their living situation as a result of the claim, this is something which will always have happened. It has been added to for a number of weeks after the final response was issued in May 2023 with some avoidable delays after this point. But it is only this I can consider when thinking about an award for the added distress.

Overall, I agree with our investigators recommendation for the added distress. I think £250 is fair and reasonable and in line with this Services approach.

Putting things right

To put things right now, Ageas needs to do the following:

- Cover the costs of the repairs completed, up to an additional limit of £4927.72.
- Add 8% simple interest to any additional payment made from date of invoice until date of settlement.
- Pay Mrs and Mr P £250 for the added distress and inconvenience caused with avoidable delays in the claim handling after 18 May 2023.

My final decision

For the reasons I've explained above, I uphold Mrs and Mr P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P and Mr P to accept or reject my decision before 14 April 2025.

Thomas Brissenden
Ombudsman