

The complaint

The estate of Mr M complains about Ageas Insurance Limited's ("Ageas") handling of a home insurance claim made under the late Mr M's policy.

Mrs E represents the estate of the late Mr M so for ease I'll refer to Mrs E.

What happened

Mrs E has already complained about the service she received from Ageas, and this was resolved in July 2023. So, the scope of this complaint investigation is from July 2023 to August 2024.

In December 2022 there was a flood at the late Mr M's property. Mrs E notified Ageas of the flood in the same month.

Mrs E says after numerous telephone calls, complaints and stress, work on the property started in January 2024. The work was still ongoing in August 2024. She says she had put up with months of incompetence and a lack of communication, and that was making her unwell.

The late Mr M's property was a four hour round trip from Mrs E and she was making this journey at least once a week for various appointments regarding the repairs. Some of the appointments were cancelled at the last minute by which time she had already made the journey.

Mrs E says in May 2024, she was contacted by a solicitor appointed by Ageas to consider compensation given what she had been through with repairing her father's house. The solicitor told her the compensation Ageas would pay would not be basic due to the problems that had arisen during the course of the repairs. Mrs E was told she would not have to accept the first offer. In August 2024 Mrs E was offered £500 compensation. She declined the offer since this was nowhere near the rental loss she incurred whilst waiting for the repairs to be completed. A local estate agent told Mrs E she could expect a rental income of £1,200 per month if she let out the property.

Mrs E says £500 doesn't consider her time, travel, and stress she went through. She also had a council tax bill of around £2,000 that she wouldn't have been liable for if Ageas had completed the work in a timely manner.

Ageas told Mrs E it wouldn't increase its offer of compensation. Mrs E wasn't happy given the delays, errors, and miscommunication she'd experienced. She wanted Ageas to cover her losses for the rental income and additional expenses such as travel, and council tax. So, she complained.

Ageas accept there had been communication issues between its loss adjustor and Mrs E and the overall lack of prompt communication caused Mrs E frustration. So, the complaint was upheld, and Ageas paid Mrs E £500 to reflect the distress and inconvenience caused.

Mrs E wasn't satisfied with the response from Ageas, so she referred her complaint to this service. The investigator said she didn't think Ageas had acted fairly. She said Ageas should reimburse Mrs E for the council tax cost of the six-month delay and cover the travel costs to and from the property if she could provide evidence. The investigator said she didn't think Ageas should cover loss of rental income costs since it was too speculative. The investigator also didn't increase the compensation payment to Mrs E since her relationship to the claim was as an executor of her late father's estate; and our rules say we are unable to award compensation in these circumstances.

Mrs E didn't agree. She said the property could have been rented out within a matter of weeks so Ageas should cover the loss of income from April 2023 to August 2024 – approximately £16,000. She said the total travel expenses were around £7,000 using her calculation of the distance from her home to the property and her receipts from the period. Mrs E also disagreed with the investigator's view of compensation.

Ageas didn't agree with the investigator's view that it should cover the cost of the council tax; it said it had agreed to cover the costs between council tax relief ending and the repairs being completed in response to the complaint. Ageas said it didn't think it should cover all the travel costs – while some additional travel was necessary it's likely Mrs E would have had to make some trips to the property in any event and these are consequential losses. So, it said it would agree to a contribution towards those costs.

Because neither party agreed the complaint has come to me to decide.

My provisional decision

I recently issued a provisional decision setting out my thoughts on the key complaint points and how I thought matters might best be resolved. I said:

"I can see this matter and its consequences have had a significant impact on Mrs E. I've no doubt she has been through a difficult time, not helped by delays and chasing up Ageas in respect of the repairs to the property. I'm sorry Mrs E finds herself in the situation she is in. Having considered the evidence carefully, I intend to uphold the complaint. But I know Mrs E will be disappointed with my decision since I don't intend to require Ageas to meet all of her outstanding claims for recompense."

Compensation

While I agree Ageas had caused some delays and undue distress and inconvenience, I'm not able to ask it to pay any additional compensation.

The rules for how we handle complaints are laid out by the Financial Conduct Authority (FCA), in the 'DISP' rules. The rules state that we can only make awards for distress and inconvenience to 'eligible complainants'. The rules go on to explain who is eligible to complain to this service. In the circumstances of this complaint, the eligible complainant is the late Mr M, as he owned the property and therefore was the beneficiary of the insurance policy that covered it. Further, the complaint was brought in the name of the estate of Mr M, with Mrs E bringing the complaint as a representative. The events complained of all happened after Mr M died, so didn't affect him personally. We can't make awards to the representatives of the estate.

I know Mrs E is a beneficiary of the estate. However, this complaint wasn't brought by Mrs E as a beneficiary. Instead, it was brought by the estate with Mrs E as the executor. This means Mrs E is acting as a representative. As such, the eligible complainant is the estate

and not Mrs E. So, for that reason I'm unable to make an award of compensation to her as a representative.

So that means I can't consider the impact of Ageas' actions on Mrs E. I appreciate Mrs E may find this unsatisfactory. I do, nevertheless, accept that Ageas' dealings with Mrs E caused upset, distress, and inconvenience at a very challenging time.

I have also considered Mrs E's other points regarding the financial losses the estate had incurred due to the delays and poor service provided by Ageas.

Rental income

Mrs E says she was unable to rent out the property while the claim was ongoing. I'd only expect an insurer to pay this where a loss can be proved. And as there was no tenant in place at the time of the leak, there isn't enough evidence to say that rent would have been received if it wasn't for Ageas' actions.

I know Mrs E has obtained some information from a local estate agent detailing potential costs and rental income. This details likely income and costs of renting the property as Mrs E says she planned to do. I've thought about that carefully, however there is no way to know precisely what, if any, the loss is. The rental income is untested, and by that I mean we don't have any evidence of what it actually was, or how long any rental term would have been. So, it isn't my intention to direct Ageas to pay anything towards any perceived loss of rental income.

Travel costs

Mrs E says she had to visit the property once a week in order to deal with repairs. And so, she has claimed for 83 trips back and forth from 1 January 2023 to 8 August 2024. Given the estimate provided I don't accept she would have needed to visit the property once a week. The initial visit by the loss adjustor to validate the claim wasn't arranged until a few weeks into January 2023 and I can't see there was more than two visits to the property in that month.

It's likely Mrs E has attended the property for other reasons to do with resolving the estate and dealing with the house, but I haven't seen anything to suggest she was required to go once a week in respect of the repairs. There is reference to visits within the claim notes that states, "She was told she didn't need to travel the 4 hours to check the property as there's a key box, but she has to as nothing is being done." I can see Mrs E felt she needed to attend to check on the property, but she wasn't being compelled to by Ageas, so I don't think it's fair to ask them to pay for the level of trips being claimed for, since it was Mrs E's choice to make those trips.

I understand Mrs E hasn't kept records of when she visited and how much the travel costs were. So, she has provided an estimate based on the number of miles and cost of the petrol. Ageas has said it would consider a contribution towards Mrs E's additional travel costs. I think this is fair in the circumstances.

So, I've thought carefully about what is fair and reasonable in the circumstances of the case. I can see Mrs E needed to make several trips to the property over and above what might reasonably be expected. I think allowing 10 trips in total from the start of the claim to when the repairs were completed is fair and reasonable in these circumstances. I say this because although there were times when Mrs E was required to attend the property, she also chose to attend over and above what was required. And so, it is my intention to direct Ageas to contribute £945 towards Mrs E's travel costs.

Council tax

Ageas accept there were avoidable delays in the handling of the claim. And I agree with the investigator that those delays amount to around six months in total. Ageas has paid £330.70 for the council tax owed from the end of the tax relief to when the repairs were completed. But since it delayed completion of the claim for a further six months I think it should reimburse Mrs E for those costs. I say this because had it not been for those delays its unlikely Mrs E would have had to pay for those costs. So, I intend to direct Ageas to pay Mrs E £569.99 for the council tax.

I know Ageas has said it previously agreed to pay Mrs E for the council tax in recognition of the issues and delays faced during the claim and was a goodwill gesture. It said the claim didn't cause the additional cost to Mrs E; it was due to her father's passing. However, but for Ageas' avoidable delays Mrs E would have been unlikely to have paid the additional six months of council tax.

So, to conclude, I can't direct Ageas to pay Mrs E for loss of potential rental income for the period of the repairs or for distress and inconvenience its handling of the claim caused. I note that Ageas has paid compensation which acknowledges its poor service and I'm pleased to see it recognised this. For the reasons explained it is my intention to uphold Mrs E's complaint and have detailed what I think is a reasonable way to resolve the complaint below."

Response to my provisional decision

Ageas accepted the provisional decision and agreed to pay towards the travel costs and contribution towards the council tax.

Mrs E wrote about a previous complaint that I referred to as resolved in July 2023; saying it wasn't resolved and Ageas didn't do what it should have. The merits of that complaint are not something I am able to consider as part of this decision and has no bearing on the same.

Mrs E says she was told by Ageas' solicitor that she would receive compensation that was 'not going to be basic'. Mrs E and Ageas will appreciate that I wasn't party to the conversation between Mrs E and the solicitor. I acknowledge Mrs E's recollection. But I've had to consider all the available evidence. I've had to consider that Ageas paid Mrs E £500 for the distress and inconvenience caused. And I don't have any evidence to support what Mrs E has said about the solicitor's opinion. As previously explained, I can't make an award to the executor of the estate.

Mrs E says she was told she was required to visit the property once a week to ensure the insurance policy would be valid. I don't have any evidence to support what Mrs E has said. I have checked the policy terms which confirm it won't provide cover if the home is unoccupied. It defines unoccupied as, "*when your home has not been lived in by you, or a person authorised by you, for more than 60 days in a row.*" Mrs E says she was required to visit the property once a week but even if this was the case, she wouldn't be entitled to her costs under the terms of the policy. Ageas offered a contribution towards travel costs as a gesture of goodwill.

I'm sorry if Mrs E was caused any upset by me saying she made trips to deal with other estate matters. I'm aware that after someone passes away there is usually a lot of administration, as well as personal belongings to sort out. And that was what I was referring to.

Mrs E says she has been told on several occasions that she is the executor and not the policyholder but says it's unfair because she was liable for the excess on the policy. The terms of the policy say the excess must be paid on every claim so I can't say Ageas haven't acted unfairly by asking for the excess. We are governed by rules set by the Financial Conduct Authority (FCA) known as the DISP rules. The rules detail our powers to make awards for distress and inconvenience in rule DISP 3.7.2R. Mrs E's late father would have been the eligible complainant here, who had the required relationship with Ageas – and we can only make awards to eligible complainants. The estate representative brings the matter on the consumer's behalf (as the person authorised in law to do so). So, it follows that we can't compensate an executor for any impact incurred by them personally, when representing the estate.

I'm sorry Mrs E feels my decision weighs in Ageas favour. I can see she has been through a difficult time and hasn't received the service she was expecting from Ageas, at a particularly difficult and challenging time. So, I understand she feels upset and frustrated by the matter.

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.

In light of the fact that neither party provided any additional evidence not already seen or considered following receipt of my provisional decision (which I've reproduced here and which forms part of this final decision), I'm satisfied it represents an appropriate way to resolve the dispute.

Putting things right

I've taken the view that Ageas have acted unreasonably and so I direct it to;

- Pay £945 towards the travel costs incurred,
- Pay £569.99 towards the council tax.

My final decision

For the reasons I've explained, I uphold Mrs E's complaint and direct Ageas Insurance Limited to put things right by doing what I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mr M to accept or reject my decision before 7 March 2025.

Kiran Clair
Ombudsman