

The complaint

Mr and Mrs C complain about delays and poor communication from Ageas Insurance Limited ('Ageas') after making a claim on their home insurance policy.

References to Ageas include agents who were acting on its behalf.

What happened

Both parties will be familiar with the background to this complaint, so I'll only briefly summarise what happened here.

In December 2022 Mr and Mrs C's home suffered damage while they were on holiday due to an escape of water from a burst pipe. After discovering this damage, Mr and Mrs C contacted Ageas to make a claim.

Mr and Mrs C subsequently appointed a loss assessor ('the assessor') to act on their behalf and Ageas appointed a loss adjuster to act on its behalf.

Ageas carried out an initial visit on 6 January 2023 and noted the property had suffered widespread damage including partial collapse of ceilings in a first floor bathroom and children's playroom, damage to other first floor and ground floor rooms and damage to contents. Ageas recommended drying followed by full redecoration of affected areas and said alternative accommodation would be necessary as the property was uninhabitable.

By April 2023 strip out works were underway to allow for the property to be dried and a rental property had been secured as alternative accommodation, agreed at this point for five months.

A complaint was raised around this time about delays in paying some of Mr and Mrs C's expenses and starting the strip out works.

Ageas provided a final response to this complaint on 25 May 2023 in which it agreed there was a short delay in paying some expenses and issued £50 compensation for this. But it didn't agree it had delayed the strip out works, saying it thought the cost on the quote submitted by the assessor was too high, so it needed to appoint a surveyor to attend the property and validate the cost. Ageas also said in this final response that a meeting had taken place the week before between its adjuster and the surveyor appointed by the assessor to finalise and agree the schedule of work for repairing the property.

Over the course of the next year work on the claim continued, which included carrying out a mould survey, assessing the contents part of the claim and compiling a schedule of repairs for the restoration of the building. While this was ongoing, Mr and Mrs C made a complaint about the progress of the claim.

Ageas provided a final response to this complaint on 20 March 2024. Within this final response, Ageas acknowledged there had been some delays from the adjuster reviewing information submitted by the assessor, but a senior loss adjuster had now taken over the

handling of the claim to ensure matters progress. In recognition of these delays, Ageas paid £200 compensation.

But Ageas said there were other delays which it hadn't caused including a dispute which arose with the assessor over the extent of mould remediation work required and delays caused due to the adjuster having to retrospectively work and costs which hadn't been authorised.

Mr and Mrs C were dissatisfied with this response, so they brought their complaint to us.

Our investigator thought the complaint should be upheld. She said we couldn't consider the events dealt with in the final response of 25 May 2023 because Mr and Mrs C hadn't brought their complaint to us within six months of the date of this final response, and for any events Mr and Mrs C were unhappy with which happened after 20 March 2024 they would need to make a new complaint directly to Ageas.

On the parts of the complaint the investigator thought we could consider, she thought there were avoidable delays which Ageas had caused that had contributed to an overall delay in reinstatement works being able to commence, poor communication at points from the adjuster, and delays in reimbursing costs to Mr and Mrs C. To put this right, she said Ageas should pay an additional £200 compensation.

Ageas accepted this recommendation, but Mr and Mrs C remained dissatisfied, so the complaint was referred to me to decide.

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've decided to uphold this complaint. I'll explain why.

I should start by saying while I've read and considered everything Mr and Mrs C and Ageas have provided, I won't be commenting on every point made. I'll instead concentrate on what I consider are the key points I need to think about for me to reach a fair and reasonable decision. This isn't meant as a discourtesy to either party, but instead reflects the informal nature of this Service.

I've first considered what parts of the complaint we can look at. Our powers to consider complaints are set out in the Financial Services and Markets Act 2000 (FSMA) and in rules, known as the Dispute Resolution Rules ("DISP") written by the Financial Conduct Authority ("FCA") and contained within the FCA Handbook.

These rules say we can't consider a complaint that has been referred to us more than six months after the date a respondent business has provided its final response unless the respondent business consents to us doing so, or unless the ombudsman considers the failure to refer the complaint in time is due to exceptional circumstances. The relevant rule which sets this out is DISP 2.8.2 R (1) in the FCA Handbook - a copy of which can be found on the FCA's website.

I've read the final response Ageas sent on 25 May 2023. I can see that Ageas said in this final response the complaint would need to be referred to us within six months of its date, and that we would not have Ageas' consent to consider the complaint if it was referred late.

Since Mr and Mrs C didn't bring their complaint to us until May 2024, it wasn't referred in time. And since Ageas didn't consent to us considering the complaint if brought late, we'd only be able to consider the complaint about the events dealt with in the 25 May 2023 final response if I am satisfied the reason it was brought late was due to exceptional circumstances.

Mr C says he hadn't directly made a complaint to Ageas, so he didn't pay much attention to the final response, and he wasn't informed by his loss assessor of his right to refer the matter to us.

I've thought about the reasons Mr C has provided, but I don't consider these to be exceptional circumstances for why he couldn't have brought the complaint to us before the six-month deadline. I say this because I'm satisfied Ageas had addressed the final response to Mr C and had correctly explained his rights to refer the complaint to us and the need to do so within six months.

On this basis, I agree with the investigator that the complaint about the events complained about up to the date of the final response sent on 25 May 2023 are time barred and can't be considered by this Service. Accordingly, I won't be making any findings on the merits of the complaint for any events which happened before the date of this final response.

I also agree with the investigator that any events which have happened after the final response dated 20 March 2024 can't be considered here. I acknowledge Mr and Mrs C's claim was still ongoing after that date, but our service can't consider a complaint until it's first been made to the business which it's about and they have had an opportunity to resolve it.

So, if Mr and Mrs C are dissatisfied with anything which has happened on the claim after 20 March 2024, they'll first need to complaint directly to Ageas. If they remain dissatisfied after receiving the final response from Ageas, or if they do not receive a final response within eight weeks of the date of making their complaint, they may refer the matter to us as a new complaint.

I've considered the events which happened between 25 May 2023 and 20 March 2024. Having done so, I sympathise with the upset Mr and Mrs C have experienced due to escape of water in their home and acknowledge they've faced a great deal of disruption due to the damage this caused, including by not being able to live in their home for a prolonged period.

Unfortunately, Mr and Mrs C's home suffered significant damage because of the escape of water and because of this I think it was inevitable they'd be caused a lot of disruption, and the claim would have taken time to resolve. And I can't hold Ageas at fault for the fact there was a loss and the unavoidable inconvenience it would have caused Mr and Mrs C.

But Ageas should have dealt with the claim in a fair and reasonable way including by proactively dealing with the claim to minimise the disruption to Mr and Mrs C. Ageas didn't dispute there were some delays it caused, but it also said at other points there were delays which weren't its fault.

So, I've considered the extent to which Ageas has unfairly caused delays on the claim, and the impact any delays Ageas unfairly caused had on Mr and Mrs C.

At the point of the first final response in May 2023, the claim had already been open for approximately five months. By March 2024 when Ageas sent its second final response, the claim was still open Mr and Mrs C were still living in alternative accommodation with their home awaiting repairs.

For the length of time involved between the first final response to the complaint and second, I think progress on the claim was slow. I acknowledge this was in part due to negotiations between the Ageas and loss assessor on the claim costs – in particular the cost of the strip out works significantly exceeding the original agreed estimate and the cost presented by the assessor for mould remediation work at £26,789.28.

I don't think it was unreasonable for Ageas to query these two costs and investigate further. The estimate for the mould remediation work was substantial. It isn't unusual or unfair in principle for insurers to seek to mitigate their costs and I think Ageas had reasonable grounds to be concerned about the amount of these two costs. So, I think it was fair for Ageas to appoint its own specialist to assess the extent of mould and the cost to rectify it.

And since the strip out work cost significantly exceeded the estimate which had previously been agreed, I think it was reasonable for Ageas to seek further information to understand why this cost had increased so that it could reach an informed decision on whether to pay this additional expense. So, unavoidably, I think this would have added some time to the claim.

But I also think Ageas took a long time to review these two costs. Ageas were provided with the strip out invoice with the higher amount in July 2023, but it took until October 2023 for this invoice to be approved. And, although Ageas were provided with the report detailing mould and the £26,789.28 estimate in July 2023, Ageas were still reviewing its own response to the mould issue in January 2024. I'm not persuaded it was unavoidable or reasonable for it to take this long for Ageas to consider and investigate these two costs.

I think the main impact of any delays would have been if they prevented restoration work from being able to commence sooner than possible. I acknowledge here that there was a tender process, and agreement of quote from that would have still been required before repair work could begin on the property. But on balance, I think it's likely that the overall length of time taken on the claim could have been reduced had Ageas been more proactive.

In considering the impact to Mr and Mrs C, I've taken into account that Ageas arranged alternative accommodation and they were provided with a rented home to live in. And I think that's mitigated the disruption to them. But I acknowledge it's caused some upset for Mr and Mrs C that they can't live in their own home and any unnecessary delays on the claim will have unreasonably added to how long it may take for them to be able to move in.

I also acknowledge Mr and Mrs C think there's been some uncertainty since originally Ageas agreed to cover the alternative accommodation for five months, but later has approved it on a month-by-month basis. But I've seen nothing to show Ageas at any point said it would discontinue providing the alternative accommodation, so I don't think it's unfair for Ageas to have paid for it this way.

I also acknowledge there has been poor communication at times on the claim and delays getting back to Mr and Mrs C, or their assessor. I should say here that I can't award any compensation for any distress or inconvenience purely caused to Mr and Mrs C's loss assessor. But I think there likely will have been some impact caused to Mr and Mrs C if their assessor wasn't reasonably kept updated on the claim or replied to in good time.

Mr C also said that there were delays in paying him storage costs he had incurred. I can award compensation for financial losses a business has unfairly caused or has unfairly not agreed to pay and I can see the assessor had to chase Ageas for repayment of these costs. But according to the evidence provided by Ageas payment of the storage costs was approved in January 2024 which would mean there is no longer a financial loss to remedy with respect to this cost.

I acknowledge Mr and Mrs C feel let down by the service they've received from Ageas. And I agree there has been poor service at times on their claim including avoidable delays and poor communication. But It may be helpful if explain we're not a regulator, so we don't have powers to fine or punish businesses. I can award compensation for distress and inconvenience caused where a consumer has been treated unfairly by a business and I think that's warranted here.

But having considered the evidence and the impact to Mr and Mrs C, I agree with the investigator that a total of £400 is fair and reasonable and in line with our award levels for the issues during the period of the claim this complaint is about.

Putting things right

If it hasn't already done so, Ageas should pay Mr and Mrs C the £200 compensation it agreed to pay in its final response of 20 March 2024.

And, if it hasn't already done so, Ageas should pay Mr and Mrs C a further £200 compensation bringing the total amount for this complaint to £400.

My final decision

My final decision is that I uphold this complaint and I require Ageas Insurance Limited to carry out what I've set out in the 'Putting things right' section of this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs C to accept or reject my decision before 2 May 2025.

Daniel Tinkler
Ombudsman