

The complaint

The estate of Mr C complains Ageas Insurance Limited (“Ageas”) provided poor customer service and caused delays in its handling of a claim on its property insurance policy following an escape of water. It says Ageas hasn’t adequately considered the impact the delays have had on the claim or the condition of the property. And the estate of Mr C doesn’t agree with the decision Ageas has made to limit the claim amount to £5,000.

All references to Ageas include its agents.

This complaint has been brought by Mrs N representing the estate of Mr C. As much of what has happened relates to Mrs N, I’ll also refer to her throughout this decision.

Mrs N has raised a number of complaints throughout the claim. And Ageas has dealt with her complaint points in separate Final Response Letters. As a result, when Mrs N forwarded the complaints to the Financial Ombudsman Service, we initially dealt with the complaints separately. But, in order to reach a fair outcome it’s my opinion that it’s not possible to separate the issue of the claim delays from the claim outcome. So this provisional decision is about all of the above issues – including whether Ageas has fairly applied the £5,000 limit.

There is also a complaint about Ageas not responding to a subject access request fully or on time. That complaint is still being investigated by our service. I won’t be considering it here.

What happened

Mrs N renewed a property insurance policy on behalf of the estate of Mr C at the beginning of January 2024 to cover a holiday home. Due to the use of the property, Ageas applied endorsements to the policy. This included that cover in respect of an escape of water from fixed water tanks would be limited to £5,000 unless the water is turned off at the mains. If a claim occurs when the water is turned off, the cover would increase but be limited to 5% of the buildings sum insured.

In January 2024, Mrs N identified the water tank in the attic was leaking so she made a claim on the policy. She explained at the time it had caused substantial damage throughout the property. Ageas’ call notes say Mrs N confirmed at the time the water was off in the property. Mrs N arranged for a plumber to attend the property the same day. The plumber’s invoice said, ‘...[M]ains water shut off and tank emptied.’ A loss adjuster (“LA”) was appointed by Ageas and inspected the property six days later. Asbestos testing was also carried out around that time and the results showed asbestos fibres were identified at the property.

The LA contacted the plumber for further information about whether the water was switched off when he arrived at the property. The plumber’s office sent an email to the LA which he interpreted as saying the plumber had turned the stopcock off as Mrs N had been unable to. On 16 February 2024, Mrs N and the LA spoke over the phone, Ageas has given us a recording of that call. During the call, Mrs N explained she always turns the stopcock off and it was off on the day of the leak. She said when she noticed the leak she turned the stopcock on and off again to make sure it was actually off. And she asked the plumber to double check it later. The LA said he’d submit a further report to Ageas to assess things.

The LA submitted the report to Ageas in February 2024. It highlighted what Mrs N had said and the LA said if the tank was full, it's likely the damage would've occurred whether the stopcock was switched off or not. The LA later said he found Mrs N's account convincing.

In March 2024, Ageas let the LA know it was applying the £5,000 limit to the claim as, considering the level of damage and the plumber's statement, it didn't think the stopcock had been turned off. Mrs N complains she was told the claim wasn't being paid in full over the phone but she wasn't told in writing until July 2024.

Between March and May 2024, Mrs N chased Ageas for updates. And as she didn't get a clear response, she raised a complaint. She explained the delay meant the property was deteriorating, for example mould was growing and a ceiling had fallen down. And throughout this time, she disputed Ageas' decision. Ageas offered Mrs N £200 to make up for the delay.

Around July 2024, a different LA contacted the plumber's office again. The plumber explained the tank was empty and the water had escaped by the time he arrived. He clarified that the invoice said the stopcock was already off and he only tightened it a fraction more. This didn't change the outcome of the claim as the LA considered the plumber's evidence was unreliable. He also said the new statement didn't rule out the possibility that someone had only turned the mains water off before the plumber arrived. So Ageas maintained its decision to limit the claim to £5,000. It made the payment in September 2024.

As the complaint wasn't resolved, Mrs N asked our Service to look into things. Our Investigator looked into the complaint about the delays only. She thought Ageas' delays caused the property to deteriorate further and she didn't think it had done enough to mitigate this. She recommended Ageas cover the cost of repairing the damage which happened between the claim being raised and September 2024 when the claim was paid. Ageas didn't accept our Investigator's opinion. Whilst it was happy to contribute a small amount, it considered the customer was aware early on the claim would be limited, so should've mitigated things. As the complaint wasn't resolved, it was passed to me to decide.

I issued a provisional decision on this complaint in June 2025, I've included a copy of my decision below:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Based on what I've seen so far, I intend to uphold this complaint but for different reasons from our Investigator. I'll explain why."

Claim limit

Due to the use of the property as a holiday home, Ageas applied an endorsement to the policy which can be seen in the policy schedule. So it's for me to decide whether I think it's more likely or not that the endorsement was complied with in this case – whether the water was switched off, entitling the estate of Mr C to the increased settlement of 5% of the sum insured, rather than only £5,000.

Ageas considers it's more likely the water was left on at the mains. In particular it relies on the plumber's invoice and first statement and its own view that the extent of the damage isn't consistent with the stopcock being off. But I'm not currently persuaded by what it says here.

From what I've seen, it appears the LA and Mrs N discussed whether the stopcock was off during his visit in January 2024. And she told him at that point it was. During the call on 16 February 2024, which Ageas has given us a recording of, the LA said he was surprised by the plumber's statement that he'd switched off the water as he remembered Mrs N saying she never left it on. And she reiterated that she hadn't left it on but she had tested whether it was off by turning it on and off again when she noticed the leak. She also mentioned turning the water off from the outside stop valve – which makes me think she's very aware of how to turn the water off and is conscious that it needs to be done.

At the moment, I'm satisfied Mrs N's testimony throughout the claim has been very consistent, plausible and persuasive. And I can see the LA who met her and spoke to her was also persuaded by her. I can understand why Ageas initially thought the plumber's invoice said he'd turned off the mains. But when it asked him about this in February 2024, he gave an answer which wasn't entirely clear and didn't make much sense. Yet Ageas didn't ask the plumber to clarify what he meant until July 2024, after Mrs N raised a complaint. Once the plumber later clarified that the mains had already been turned off and that he'd said this on the invoice, Ageas found his answer unreliable. I currently think Ageas unfairly discounted this information.

I note Ageas has said if the stopcock was turned off, the property wouldn't have been damaged to the extent it was. But it's not provided any evidence to support this view. Instead, I can see the LA who visited and assessed the property in January 2024 said he thought the damage wasn't necessarily evidence of the stopcock having been left on. Rather that damage/level of damage could have been caused by a full tank leaking into the property. And considering Mrs N's said she usually turns the stopcock on and off when she visits the property, I think it's likely the tank would've been full before the escape of water.

Following the plumber's statement in which he said the stopcock was off when he arrived, Ageas has suggested someone may have turned it off after the leak occurred and before he arrived. And whilst that is possible, I haven't seen any evidence so far to suggest that's most likely what occurred.

Based on what I've seen so far, I don't think Ageas has given enough weight to Mrs N's testimony or fairly assessed the claim. As a result, I think it's incorrectly applied the cover limit of £5,000 here. Instead, I think it should've applied the 5% limit. That means it would cover the cost of repairs up to around £20,400.

Delays and further damage to the property

Mrs N's complained Ageas has caused significant delays to the progress of the claim. And from looking through the complaint notes, I can see there were periods of time when she didn't receive replies to her emails and wasn't kept updated. I can also see after Mrs N complained in March 2024 about the preliminary decision to limit the claim, Ageas didn't go back to her for over two months – and that was only in response to her complaint.

Our Investigator thought whilst Ageas was considering the claim, it should've taken steps to mitigate the damage to Mrs N's property. But at the moment, I don't agree. It had told Mrs N early on in the claim that it was limiting the cover to £5,000. And whilst I appreciate she didn't agree with that decision, at the moment I don't think it's unreasonable to expect she, on behalf of the estate, would've taken steps to prevent further damage to the property.

I appreciate Ageas could've offered to pay the estate of Mr C the £5,000 around four months earlier than it did. And if it had, the funds could've been used to limit some of the additional damage. But I'm not currently persuaded the estate of Mr C would've accepted it. And in any event, as the property contained asbestos, at the moment I think it's more likely the funds would've gone towards addressing that as the priority. So I don't currently think the delay in making the payment makes a real difference to the amount of additional damage caused. I do note however, Ageas has provided details of how much drying out works would've cost – around £11,000. So if it had fairly decided the claim initially and identified that the 5% limit should've been paid under the policy terms as I've found above, I think it's likely it could've arranged or covered the drying out costs. And that means it's likely further deterioration, for example the mould Mrs N describes, might have been prevented or limited.

It's difficult to know what would've happened in this case if things hadn't gone wrong and I agree with Ageas that it's not unusual for damage caused by the insured peril to only come to light later. So I think it's more than likely impossible for either party to determine now – around 18 months after the claim was first made – what additional, avoidable damage was caused to the property as a result of Ageas' claim decision.

I understand Mrs N's said she's arranged works on the property to lessen the deterioration while the claim's been ongoing. So I think it would be fair in this case for Ageas to contribute 50% towards these costs to reflect the impact it's had here. To be clear, this is 50% towards any additional water damage that occurred because of the property being left for so long.

Mrs N will need to provide evidence of what's been paid, for Ageas to assess whether it was part of the original claim damage, based on its LA report and scope of works. If any works would've been part of the reinstatement costs anyway – and therefore covered by the claim – Ageas won't be expected to contribute the additional 50% for that.

Mrs N's told our Service that Ageas has caused her significant trouble and upset due to its handling of the claim. And considering how long the claim has gone on and the amount of chasing she's done, I don't doubt what she says. But Mrs N represents the estate of Mr C in this case in her capacity as administrator of the estate. And our service can't compensate an executor or administrator for any impact incurred by them personally, when representing the estate."

To put things right, I thought, in summary Ageas should pay the claim amount based on the 5% limit applying. I also thought it should reimburse the reasonable costs the estate of Mr C' had already paid to manage or prevent further deterioration of the property. And I thought it should add interest to these amounts.

I asked both parties to make any further comments for me to consider before reaching a final decision. Ageas asked for more time to review and respond to my provisional decision. Our Investigator let Ageas know I would issue a decision if I didn't receive a response by the extended deadline but it didn't provide any further comments by the agreed date.

Mrs N said she accepted my provisional decision. But she also said, in summary:

- She appreciates the comments in my provisional decision regarding additional damage.
- Ageas said the plumber was unreliable as that fitted its agenda.
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- The estate of Mr C has no faith in Ageas or its agents.
- It's a shame Ageas didn't deal with things more efficiently and fairly earlier as things could've been settled much sooner.

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.

It's clear from Mrs N's comments that she is disappointed by Ageas' actions when handling this claim and the complaint. And from everything I've seen in this case and the reasons I've given above and in my provisional decision, I can understand why.

I've considered the responses I've received carefully. And I see no reason to change the outcome I've reached. So I uphold this complaint and direct Ageas to put things right by doing what I've said below.

Putting things right

To put things right in this case, I direct Ageas to:

- Pay the claim amount based on the 5% limit applying. Ageas should add 8% interest to the amount due from the date of the claim to the date of settlement*.
- Reimburse 50% of the reasonable costs the estate of Mr C's already paid to manage or prevent further deterioration of the property, upon clear evidence of the necessary works and the payments and subject to what I've said above. Mrs N, on behalf of the estate of Mr C, should provide this evidence directly to Ageas within one month of the date of my Final Decision. Ageas should add 8% interest to this amount from the date of each payment to the date of settlement.*

*If Ageas considers that it's required by HM Revenue & Customs to take off income tax from that interest, it should tell Mrs N on behalf of the estate of Mr C how much it's taken off. It should also give her a certificate showing this if she asks for one, so the estate can reclaim the tax from HM Revenue & Customs.

My final decision

For the reasons I've given, I uphold The estate of Mr C'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 C to accept or reject my decision before 1 August 2025.

Nadya Neve
Ombudsman