

## The complaint

Mrs K complains about the way Ageas Insurance Limited ('Ageas') handled a claim she made on her buildings insurance policy.

## What happened

Mrs K held a property insurance policy underwritten by Ageas. She contacted them in May 2023 to raise a claim and said a vehicle had collided with a wall at her property. Ageas accepted the claim and appointed contractors to assess the damage and arrange repairs.

In September 2023, an agent from Ageas's contractors phoned Mrs K and recorded that she had withdrawn the claim and did not want to proceed with repairs. They reported back to Ageas who closed it. But in February 2024, Mrs K contacted Ageas for an update about the claim and was informed that it had been closed. Mrs K said she wasn't where she had withdrawn the claim and had received no correspondence after the claim had been closed. Ageas agreed to reopen the claim, but by this stage, they said there were issues about whether repairs could be completed because they said they needed permission from Mrs K's local council in order to complete the works.

Ageas said their contractors were unable to proceed with repairs because they couldn't obtain the necessary permission from Mrs K's local council, and as a result the claim would be cash settled. But Ageas said their liability was limited to the cost of repairing the damage at the time Mrs K had withdrawn the claim, and Ageas said they would pay around £3,000 to conclude things.

Mrs K was dissatisfied with Ageas's response and raised a complaint. She said she wanted Ageas to carry out the repairs and maintained she had never withdrawn the claim. She also raised concerns over why Ageas had not written to her to confirm the claim had been closed in September 2023. Ageas considered the complaint but did not change their stance. So, Mrs K brought it to this Service and explained the following points:

- During the call with Ageas's contractors, they did not carry out any security checks and she wasn't aware of the reason for the call.
- She assumed it was a sales pitch and wanted to end the call so didn't engage further.
- She was unaware that the claim had been cancelled until she contacted Ageas in February 2024 for an update.
- She had spoken to her local council who told her Ageas refused to accept the certificate from the building inspector which meant works couldn't start.
- She wanted Ageas to undertake the work rather than accepting the cash settlement.

I issued a provisional decision on the complaint, and I said the following:

*"The key issues in this complaint for me to decide are whether it was fair for Ageas to treat the claim as withdrawn, and whether Ageas's settlement of the claim was fair. I've listened to the call recording where Mrs K spoke to Ageas's agent. The call was very short, and the agent did not identify themselves or make any attempt to check further details with Mrs K. So, while there is a dispute about exactly what Mrs K*

*understood during that call, I think that there was at least the potential to cause confusion. Additionally, I think an important consideration is what Ageas did afterwards. Following that call, Ageas treated the claim as withdrawn and closed it. However, they did not write to Mrs K to confirm the claim had been closed, and she was not clearly told what the consequences of that would be.*

*In my view, that wasn't fair or reasonable claims handling. Even where a customer indicates they don't wish to proceed, I think it is good industry practise for an insurer to clearly confirm this in writing and explain what it means in practical terms. And I think that's especially so where, as here, the claim concerned physical damage to property.*

*When Mrs K contacted Ageas again in February 2024, the claim was reopened; but by that stage practical difficulties were being raised about how the repairs could be completed. Ageas also explained that, because of these delays and difficulties, they couldn't proceed with the repairs and instead decided to cash settle the claim. And they said their liability was limited to the cost of repairing the damage as it existed at the time Mrs K withdrew the claim.*

*But I do not consider that it would be fair or reasonable for Ageas to rely on the effects of their own poor handling to limit how the claim is dealt with now. Had Ageas properly followed up the phone call in writing to Mrs K at the time, I think it's more likely than not she would have contacted them to explain she did not want to withdraw the claim, and the matter would not have stalled for several months. So, I would expect Ageas to settle the claim at the current cost of repairs.*

*Additionally, I do not consider that it would be fair or reasonable for Ageas to limit the claim to a cash settlement. While they have explained that there were practical difficulties in securing the local council's consent to complete the works, I've seen email correspondence in which a council building control officer confirms they are prepared to provide whatever information or authority that is required in order to complete the repair of the boundary wall. As such, I find that the fair and reasonable conclusion to this particular complaint is for Ageas to take reasonable steps to progress and complete the repairs, including liaising with the council again and any other relevant third parties, rather than placing that burden on Mrs K.*

### **What was the impact**

*I think it's clear Mrs K has experienced avoidable inconvenience and frustration as a result of how Ageas handled the claim. In particular, the claim was closed without clear written confirmation, which meant it did not progress for several months. And when it was later reopened, Mrs K was faced with uncertainty about whether repairs would be completed at all and was left to engage with the local council herself in an attempt to move matters forward. I've also thought about Mrs K's circumstances, such as her age and medical conditions, and I do not think it was fair or reasonable for her to be left to navigate discussions with contractors and the local council herself in order to try to progress an accepted insurance claim when Ageas attempted to limit the claim to a cash settlement.*

*Taking all of this into account, I think Ageas should pay a sum of compensation to reflect the distress and inconvenience caused by the way they handled the claim. I've weighed up Mrs K's testimony, the available evidence, and the duration of the process. Overall, I think a sum of £350 compensation is fair. I appreciate this sum may not fundamentally change matters for Mrs K, but I consider it to be in line with the level of compensation appropriate to this complaint, and I'm satisfied awarding this amount produces a fair and reasonable outcome in this particular case."*

I concluded that Ageas should take reasonable steps to progress the claim for repairs, including instructing contractors and liaising with the local council if permission was required for local authority access. I also said Ageas should pay Mrs K £350 compensation for avoidable distress and inconvenience caused. I invited both parties to provide a response to my provisional findings.

Mrs K said she agreed with my conclusions on how to resolve the complaint. Ageas did not provide any further information for me to consider.

As both parties have now had the opportunity to provide a response to my provisional decision, I will set out my final decision below.

### **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.

As neither party have provided any additional information for me to consider, I see no reason to depart from the findings that I set out provisionally above, which now becomes my final decision.

In order to conclude this complaint, I direct Ageas to take reasonable steps to progress and conclude the claim for repairs, including instructing contractors and liaising with the local council if permission is required for local authority access. Ageas should also pay Mrs K £350 compensation for avoidable distress and inconvenience they caused.

### **My final decision**

For the reasons I have given above, my final decision is that I uphold this complaint. I direct Ageas Insurance Limited to resolve the complaint in the way I have set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 5 March 2026.

Stephen Howard  
**Ombudsman**