

The complaint

Mr and Mrs D have complained about their home insurer Ageas Insurance Limited because it declined their claim for a damaged and/or blocked underground pipe on the basis the damage and/or blockage had occurred before the policy began.

What happened

For a number of years Mr and Mrs D held an insurance policy branded by broker “S”. In 2024 S changed the insurer it used to underwrite the policy. So when Mr and Mrs D’s policy renewed in late November 2024, whilst all the cover and policy wording remained the same, there was a different underwriter behind the scenes providing the insurance.

A few days after the policy renewed, Mrs D noted dirty water backing up out of the drain. She called a local drain company and they rodded the drain, restoring some flow. They also undertook a CCTV survey of the drains. A large root mass was found, blocking most of the drain, easily visible on the CCTV images. Mr and Mrs D made a claim on the policy which, naturally, was passed to the current underwriting insurer – Ageas.

Ageas asked for a copy of the drain report. Having seen it, it said the root mass was so large it couldn’t have grown and caused the problem during its period of cover. It said the issue was pre-existing, so the policy wouldn’t respond. Mrs D was told to revert to the previous underwriting insurer (PUI). The PUI said there had been no loss during its period of cover – so it wouldn’t consider a claim on the earlier policy which it had underwritten.

Mr and Mrs D felt caught between two insurers. They didn’t think Ageas’ decline in particular was fair. They noted they’d incurred a cost to clear and report on the drain and had to pay to clear the drain again when the blockage returned. They complained to the Financial Ombudsman Service.

Our Investigator considered the policy terms, noting two possible sections of cover that might apply to this claim. He considered whether Ageas had shown the claim would likely fail under these two sections. He thought it had for one, “accidental damage”, but that it hadn’t for the second term, “blockages”. But then he also said Ageas had acted unfairly by not handling the claim on the basis of pre-inception damage – and said it should reconsider the claim based on the remaining terms and reimburse Mr and Mrs D’s costs incurred. He felt some compensation should be paid by Ageas too.

Mr and Mrs D were satisfied by the outcome. Ageas objected to it. It shared its view as to why it would be unfair for it to consider a claim based solely on the one policy section our Investigator had said it hadn’t shown would likely fail (that for blockages). It referenced further evidence it had gathered from the drain company.

The complaint was referred to me for an Ombudsman’s decision. Having reviewed it, I felt there was a need for me to take the findings for this complaint back a stage. That was because, when Ageas declined this claim and Mr and Mrs D complained – Ageas had not considered the potential cover available on the policy – rather it seemed to me that it had

declined the claim outright on the basis the 'issue' pre-dated the policy inception. I thought that was an unfair decision. I felt it would need to correct that. But also that the 'correction' couldn't go so far as me directing Ageas to uphold the claim. So I decided to issue a provisional decision, to explain to both parties, my view on the complaint, and what I thought was needed to put matters right.

In my provisional findings I explained that: "[as a Service] we are not claims handlers – we are not here to assess or determine the claim, only to consider a complaint. And that complaint, at this time is about Ageas declining the claim on the basis the 'issue' pre-dated the start of the policy year it was underwriting. So that, along with any repercussions I may feel have stemmed from that decision, is all I can consider and make a finding on here.

To be clear. This decision will not consider or comment on whether Mr and Mrs D's claim may or may not, should or should not, succeed or fail under either or both potentially relevant covers offered by the policy. They are:

"11. Accidental damage for which you are legally responsible to any cables, underground service pipes, drains or underground tanks servicing the home.

12. Blocked Sewer pipes We will also pay up to £1,000 in addition to the policy excess for the cost of breaking into (and repairing) an underground pipe to clear a blockage, that you are legally responsible for, between the main sewer and the home if this is necessary because normal methods of releasing the blockage are unsuccessful."

If my final decision remains the same, and Mr and Mrs D accept it within the deadline given, Ageas will need to fully assess the claim made, as against those covers along with any other relevant terms, conditions and exclusions of the policy. Apart from the exclusion I mention below for "Events Before the Policy Started". Considering the claim, in my view, is what it always should have done.

I say that is what it always should have done because Mr and Mrs D's policy renewed. They did not seek a change of underwriter – that was S's call. But for that change of underwriting insurer, the renewal, or pre-inception date as Ageas would prefer to call it, wouldn't have made any real difference to this claim being considered. If there was not a different underwriter involved, the claim would just have been considered under the previous policy. So it's not fair that their position is prejudiced because of a change they did not instigate nor have any control over, nor any say in.

That is my view even noting there is a general policy exclusion, albeit one Ageas did not rely on, for "Events Before the Policy Started". This exclusion relates to 'accidents' – importantly the policy does not say "accidental damage" – or 'incidents' which occurred before the policy began. Ageas has argued the roots which formed the blockage were growing before "its" policy began, and that may well be true. But there is no suggestion the water was backing up ie unable to flow through the pipe, until after the Ageas policy started. I think once the pipe was fully blocked, water would back up quite quickly. So it seems unlikely there was an actual 'incident' of a blockage in place before the policy started. And it is only the blockage, or root mass, that Ageas has talked about in terms of what may have happened before the policy started. Ageas hasn't said anything about the wider cover for incidents of accidental damage – so I won't comment on this here. In my view the time for Ageas to reasonably seek to rely on this exclusion has passed. I intend to preclude it from relying on it in any future consideration of this claim which may occur.

Now it may be that, when Ageas considers the claim against the policy, it feels it should reasonably settle it. I'm sure that is the ultimate outcome Mr and Mrs D are hoping for. But it could be that, upon full consideration of the claim, it will decide that there are valid reasons under the policy for declining it. If so, I appreciate that Mr and Mrs D would likely be disappointed by that. But my role, where a business has failed its policyholders in some way,

is to put the complaining policyholders back into the position they would have been in but for the failure. And here that means the claim being fairly and reasonably considered by Ageas in line with the policy terms.

That said, should Ageas decline the claim, and Mr and Mrs D are unhappy with that decision, they would be able to make a further complaint. At that stage, if they refer to this Service, the complaint will then be about Ageas' decline at that time and all of the reasons and evidence pertinent to that decline decision may be considered by us.

I don't currently intend to require Ageas to reimburse any of Mr and Mrs D's costs. But I will say it should consider them as part of the claim. I've looked at those two costs below.

The first, £192, was a set rate agreed, from what I can see, for the drain company to unblock the drain. They recorded their findings in writing – but the invoice and agreed price don't appear to reflect a cost for 'writing a report'. This initial clearing cost and the results of the investigation which went alongside that are what led to the claim being made. So the cost was not incurred due to Ageas' later claim decline. As this cost was for initially clearing the blockage it should be considered as part of the claim.

As should the second cost for £240. This came about in February 2025. Seemingly the blockage had returned. This time the drain company had to use a cutting tool inserted along the pipe to try and remove the roots – but this wasn't entirely successful, some roots couldn't be cut by this method. I believe some flow, possibly only temporarily, was restored.

I know Mr and Mrs D think they wouldn't have had this cost but for Ageas' unfair decline. And that is a possibility. Particularly if Ageas had considered the claim fully, as I've said it should have done, and gone on to decide to accept it. But we don't know that acceptance was (or is) the most likely outcome for this claim. And I fairly have to acknowledge that it's possible that the result of Ageas' fairly considering the claim initially could have been it declining it (for reasons other than the one addressed in this decision). If Ageas had considered and declined it initially, I think it's unlikely that Mr and Mrs D would have immediately looked to undertake a disruptive and costly pipe replacement, thereby avoiding the cost for attempting clearance by the cutting tool method. Rather I think they'd have looked to try and clear the pipe by using this less disruptive and lower cost, cutting tool method first. So, for me, it seems this is a cost they may well have faced regardless of Ageas' unfair initial decline. I can't, therefore, fairly require Ageas to reimburse this sum.

Whilst I don't think it can reasonably be considered a consequential loss of Ageas' failures, it might be a cost valid under the claim. So as I've said above, Ageas should consider it under the claim.

Which leaves me needing to address the issue of compensation for non-financial loss. I realise this has been a difficult time for Mr and Mrs D – worrying about the blockage and the possibility of their home being affected by dirty water. But, because we don't know the likely outcome of the claim, I can't be satisfied that, but for the current unfair decline, this upset wouldn't have been suffered. But there were delays by Ageas in the run up to the claim being declined and for a short time, Mr and Mrs D were led to believe Ageas had accepted the claim. That was corrected quite quickly by Ageas – but a loss of expectation was caused. I also accept that Mr and Mrs D were very disappointed, felt let down and left in an impossible position by Ageas' given reason for initially declining the claim. And I've decided, albeit provisionally, that Ageas' decline, for that given reason, was unfair. As such, I'm satisfied that those feelings of disappointment and loss were caused by Ageas' failure.

For all of the upset I've said Ageas caused, I think £300 compensation is fairly and reasonably due. This is reflective of compensation we award where a number of smaller errors caused upset over a few weeks, which I'm satisfied is what occurred here."

Ageas said it would accept my provisional decision. Mr and Mrs D said they were happy with it. But they asked whether this would now mean Ageas would pay their claim.

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 note Mr and Mrs D's question about what Ageas will do now. I note our Investigator has responded. As he has indicated, this decision does not direct Ageas to 'pay' or 'settle' the claim. Rather my direction is for it to 'consider' it against the policy terms, with the exception of the exclusion for "Events Before the Policy Started". **If Mr and Mrs D accept this final decision within the deadline set**, Ageas will be bound to follow my direction. If Ageas, following its consideration, accepts the claim under the policy it may offer a settlement of part or all of Mr and Mrs D's repair outlay. But it's possible it may choose to decline the claim based on a different term of the policy (one other than "Events Before the Policy Started" which my directional decision prohibits it from relying on in its consideration). If, when Ageas has considered the claim and given its answer to Mr and Mrs D, they are unhappy with the position it has reached, including in respect of any settlement offered (if it offers one), they will be able to make a complaint about that claim decision.

As both parties have accepted my provisional decision, I've no need to review or revise my findings. I'll just confirm that my provisional findings are now those of this, my final decision.

Putting things right

I require Ageas to:

- Consider the claim, under the covers available on the policy, as set out above and in line with the policy's other terms and conditions, but not the exclusion for "Events Before the Policy Started", including the costs incurred by Mr and Mrs D for clearing/temporarily clearing/attempting to clear the blockage.
- Pay £300 compensation. If the £100 previously offered has been paid, only the difference remaining will need to be paid.

My final decision

I uphold this complaint. I require Ageas Insurance Limited to provide the redress set out above at "Putting things right".

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D and Mr D to accept or reject my decision before 17 October 2025.

Fiona Robinson
Ombudsman