

The complaint

Miss S complains that Ageas Insurance Limited (“Ageas”) has treated her unfairly in relation to a claim made under her home insurance policy.

Any reference to Miss S or Ageas includes respective agents or representatives.

What happened

The background of this complaint is well known between parties, so I’ve summarised events:

- Miss S holds her home insurance with Ageas. This was taken out through an independent broker (Company T) and I understand this renewed each February.
- In March 2022 Miss S noticed damage to her home and made a claim under her insurance policy for an escape of water.
- In August 2022 Miss S made another claim related to a separate incident of water/sewage damage to her contents connected to a blocked manhole. Miss S said she’d experienced 15-20cm of a flood of sewage water covering her floors for several hours. Miss S has said the Department of Environmental Protection told her to throw out most of her belongings that were impacted given the risk to health.
- Ageas considered these claims. Miss S was unhappy with the way Ageas handled matters including concerns about its validation of the claim and customer service. This Service investigated these matters and a final decision was issued in February 2024 considering the events up until 31 October 2023. Within this decision, the Ombudsman’s direction was for Ageas to award Miss S £1,100 in compensation. And the Ombudsman said it would be unreasonable for Ageas to expect further information from her at this stage as she’d been consistent in her testimony and Ageas had the opportunities to inspect items but missed this.
- This complaint concerns matters that followed – with Miss S raising several complaints across this time.
- On 12 January 2024 Ageas issued a final response letter (“FRL1”) that followed Miss S’s complaint about claim handling and attitudes towards her, in which it said:
 - It didn’t uphold her complaint, concerning events from 20 November 2023 onwards. Ageas said it was sorry that Miss S had felt like a “second-rate person” (in her own words) when dealing with her claim.
 - A customer’s background would have no bearing on its handling of a claim – and it said there was no evidence to support the contrary.
- Following some back and forth regarding evidence supporting the claim, around March 2024 Ageas outlined that it was unable to validate items related to the August 2022 loss as Miss S had already disposed of damaged items. Ageas said its position was prejudiced as it could not establish whether or not the items were damaged as a result of the incident, and whether they could’ve been restored instead of replaced.
- Ageas also said the photos Miss S had provided did not show staining or marks

consistent with saturation from a leak that would've necessitated disposal. And that the only furniture item that showed visible damage was the leg of a telescope.

- Miss S complained about the adjuster's comments, and she said the thought of meeting him again made her panic. Miss S was unhappy Ageas wanted its agent to meet her in person to discuss the loss and photos she'd submitted given the time that had passed since the loss. She said Ageas had unreasonably expected her to retain clothing and items that had been impacted by sewage for its assessment.
- In June 2024 Ageas told Miss S it would be unable to leave matters open indefinitely and asked for information within 14 days or it would close the matter.
- Miss S submitted a spreadsheet and other evidence of her losses, coming to the sum of around £30,000 for both claims. She described how it was difficult to divide the damage caused to her items between the two incidents of loss. And how the sewage within her home had severely impacted everything including items impacted by the first flood. Ageas said it arranged for a loss adjuster to attend who met with Miss S to discuss each photograph she'd provided in detail on 15 July 2024.
- On 21 August 2024 Ageas issued another final response ("FRL2"). Within this it considered Miss S's complaint concerning alleged behaviour from a loss adjuster (working for Company A), communication issues, and the overall time it'd taken for the claim to be settled. Ageas said:
 - All allegations about the conduct of its loss adjuster were refuted.
 - It had compared the list of items reported against the available photos and financial statements she'd provided. It said the information provided did not substantiate the items being claimed for were damaged, and despite making requests for Miss S to explain matters this was not forthcoming.
 - As the claim was at an impasse Company A made a final request letting Miss S know the claim would be closed within 14 days if the information was not forthcoming. Ageas apologised here saying this had been misinterpreted by Miss S to mean it was fully settling matters, as opposed to trying to prompt her to provide evidence immediately.
 - Company A had met with Miss S around this time and issued its final report. Within this it had sufficient validation for the replacement of items to the value of £15,039.77. This was then adjusted to £10,011.87 as it said the submitted figures (from Miss S) were not reflective of the market costs of these items.
 - Ageas said it considered that Miss S was underinsured, with the policy only covering 55.15% of her contents. It said she had cover of £30,000 when her contents were worth around £55,000. So, it paid 55.15% of the settlement figure (£5,521.55) in final settlement of the claim in early August 2024.
 - Ageas also commented it believed there were no unnecessary delays on its part or that of its agents.
- On 28 November 2024 Ageas issued another final response letter (FRL3").
 - It said it hadn't heard from Miss S after its FRL2, until a recent formal complaint regarding the settlement. It said it had nothing to add from its previous explanation of the settlement figure.
- Miss S brought her complaint to this Service. She raised various concerns, including:
 - She'd been insured with Ageas for a long time and during renewals it had misled her into believing that it would provide the policy limit even if she had contents worth above this.

- Miss S said Ageas' settlement was substantially undervalued (missing around £21,000) and she requested Ageas' report to reject her items.
- Ageas acted unfairly by not reviewing her items when given the opportunity to, then reducing value or not covering items.
- One of our Investigators looked into what happened. She upheld the complaint, and in summary her assessment covered the following topics.
 - Regarding the sale through Company T, she concluded Ageas had been clear in its intention to gather the correct sum insured.
 - Miss S herself had confirmed she understood her belongings were worth more than the £30,000. But she said Company T had assured her this was ok.
 - The Investigator was satisfied Miss S was underinsured, and to understand what remedies it had available she had asked Ageas about the impact on premiums had Miss S been covered for the correct sum insured. Ageas said it would be unable to provide underwriting guidance or any indication of premium differences as this would've fallen to Company T. As this information wasn't available the Investigator wasn't satisfied Ageas could establish the impact of any incorrect sum being given.
 - The Investigator also commented on delays, and didn't find Ageas at fault for the majority of these, highlighting in places Miss S hadn't been responsive. Regarding concerns about behaviours of Ageas' agents, she said she'd taken into account the allegations and given the limited evidence available, she was unable to conclude Ageas had acted unreasonably by investigating the concerns and giving reassurances as it had done so.
- The Investigator directed Ageas to pay the remaining 44.85% of the claim plus 8% simple interest. And as a result of the distress and inconvenience caused by Ageas' actions, she awarded £300 in compensation.
- Miss S responded, saying:
 - She still didn't understand how Ageas had reduced her settlement from her own calculations of £30,444.60 to £15,039.77 – only then to adjust that further to £10,011.87 to reflect current market values. She said she'd written down every item and sent photos and Ageas to inspect but it hadn't. And her credit card and bank statements evidenced the losses.
 - She disputed she'd ever seen an application form for the insurance previously and said therefore it shouldn't be relied upon. And she said during each renewal she made it clear that she owned more than £30,000 worth of items and no one ever mentioned underinsurance to her.
 - She asked this Service to direct Ageas to pay the remaining £21,370.71 she believed she was owed – instead of directing it to pay the 44.85% reduction it had made on the lower settlement sum.
- The Investigator reiterated her position and said this hadn't changed her mind.

So, the matter was passed to me for an Ombudsman's decision. Around this time Miss S provided a final response letter from broker Company T that upheld her complaint regarding the sales and renewals of her policies. She said this showed she'd always been told £30,000 would be sufficient cover for her.

I reached out to Ageas to ask a number of questions. In summary, I said:

- Miss S had pulled together details to reflect her contents losses were around £30,000 across the two claims she made. Ageas had said it had validated some of these items – but not all. I said from what I'd received I had little to understand what aspects were declined and why. And I said Ageas needed to provide me with evidence which showed which items were validated and those which weren't.
- Ageas had said it had reduced the claim from £15,039.77 to £10,814 following validation. But it had not provided any evidence to this Service to demonstrate it had done so fairly – so I asked for this evidence.
- I requested Ageas provide evidence from its underwriter to confirm what Miss S's premiums would've been had it known her contents were worth £55,000 instead of £30,000.

Ageas responded, providing the following:

- A statement from the underwriter of the policy to say Miss S had paid £253.63 – but she would've been charged £307.03 if she'd taken £35,000 cover (which was the maximum amount of cover it would've offered).
- Copies of emails within which Ageas told Miss S it had concerns about some items not being damaged, and its decision to reduce the claim for underinsurance.
- A five-page list of 130 separate contents items – Miss S's proposed value and Ageas' own validated value. From what I've seen, only one item was not covered – which was the dishwasher that it PAT tested and said was still functional and being used.
- Ageas reiterated that Miss S had told Ageas that the Council had attended her home following the second incident of damage and the removal and disposal of affected contents had followed. It said as a result its agent was unable to validate or assess the condition of these items/determine if they could be restored. It said it reviewed photos and videos taken by Ageas agent and Miss S herself. It also reviewed the bank and credit card statements she provided but said these did not show a link between the transactions and the items she was claiming for.
- Ageas said it was unclear why Miss S may believe some items aren't covered as it hadn't declined any items on the second claim. Its final report was on 31 July 2024.

So, the matter was passed to me for an Ombudsman's decision. I issued my provisional decision on 22 September 2025. I've included an extract of this below.

"In this case there's no dispute over the claims being accepted, the dispute lies within the settlement and scope of items that were covered.

I've been provided with a contents check list from March 2023 which indicates Miss S's items are worth over £53,590, which she signed. So, my starting point is it appears all parties agree that Miss S was underinsured – and this figure is a reasonable valuation of her contents.

Miss S has made comments about the broker (Company T) and its reassurances about this level of cover not being an issue. This isn't a matter for me to consider within this decision as I am only considering actions of the insurer – not the broker. Miss S will need to raise this matter with Company T in the first instance if she hasn't done so already.

However, before we reach the question of underinsurance there is the topic of the settlement itself.

Settlement

There has been an extensive back and forth on the subject of the evidence Miss S has submitted to Ageas and whether this evidences her losses.

While Ageas debated much of this previously, it has now accepted over 130 items for the August 2022 claim within its July 2024 final report. Ageas said this included all items Miss S claimed for within this peril with the exception of a washing machine that was without fault and still functioned. It's shared its list with this Service and I've asked for this to be shared with Miss S. It's possible she's been given this previously but for the avoidance of any doubt it's important she sees this list.

This July 2024 report shows Ageas valued the total losses to be to a sum of £10,011.87. This includes a breakdown of items from the bathroom, kitchen, living room, clothes and more. It said this took into account Miss S' valuation of £15,039.77 for the same items – and it had established more competitive prices available to allow it to reduce this.

In reaching this decision Ageas carried out its own pricing enquiries. Ageas said Miss S's credit card statements and photos did not illustrate the actual value of the items she was claiming for. While I can see Miss S did go to lengths to provide photos and statements – I would agree with Ageas that these statements by their nature do not act as receipts for particular items – particularly given the number of items claimed for. So, I think it's reasonable Ageas carried out these pricing enquiries alongside Miss S's submissions.

In places these include minor reductions, in others slightly greater decreases. From what I've seen of the validation – this appears fair and its evident to me that each individual item has been engaged with. So I'm satisfied that the £10,011.87 it has relied on for this second August 2022 claim is a fair starting sum.

I understand Ageas has also provided a settlement to the earlier March 2022 claim – but it has given me little detail on this in terms of items covered/not covered. In principle I'm satisfied that a similar validation exercise would be reasonable. But in response to this decision I request Ageas provide a similar list that shows the items it has covered/not covered and any such adjusted value if pricing enquiries reduced the value. Without this – I'm intending to direct it to cover all items Miss S has claimed for under the first claim using her list as a guide – but this would still allow Ageas to carry out such pricing enquiries for any additional items not previously covered (if there are any) if it hasn't done so already. If it can provide this evidence and this is in line with its assessment of claim two – I'm unlikely to direct it to do anything further.

Underinsurance

In this case there appears to be no dispute that Miss S was simply underinsured by a considerable sum. Her contents had a value of around £55,000 and she was only covered for £30,000.

Miss S has raised arguments about Company T here, and saying it had knowledge of her underinsurance and gave her reassurances this would be no issue. These are matters that will be considered separately under a different complaint reference. I have to consider whether Ageas has acted fairly in this case in taking the approach it has.

Ageas has applied an average settlement in this case. Ageas will be aware of the approach this Service takes towards underinsurance, and that we would consider misrepresentation principles and remedies in line with those principles. And typically the approach of this Service would be to say that the application of an average settlement wouldn't be fair if it was disadvantageous to Miss S in comparison to misrepresentation principles.

I'm satisfied Ageas wanted the sum insured to be based on the replacement value of the contents. So, to begin, it's evident and not disputed that the answer given in relation to the sum insured was not an accurate one and Miss S was underinsured by around £25,000.

The next step I have to consider is what the impact of this was on Ageas, if any at all. Here Ageas has provided evidence to support that it wouldn't have been able to provide a policy with cover going up to £55,000 and that £35,000 was the limit of cover. This is also supported by information provided by Company T.

This means that in this type of situation, in line with those misrepresentation principles described above, the available remedy to Ageas could be to say it would not cover the claim at all as it wouldn't have ever covered Miss S had it known of the value of her contents.

So, in this case – it strikes me that Ageas has gone on to go on to accept and cover a substantial claim when it had an option to decline it. This means that while I may have reservations about the application of use of an average settlement in other cases, here I cannot see any argument but to conclude that Ageas has acted both fairly and generously in covering the claim as it has. As a result, I will not seek to interfere with this application of the average settlement it has applied in principle. It's certainly not disadvantageous to Miss S in comparison to misrepresentation principles – on the contrary, it's significantly advantageous.

But this will be subject to the settlement point I have made above regarding claim one – and I may direct it to reconsider items under that first section again if it does not provide me with the appropriate evidence.

Handling of the claim and behaviour of agents

Miss S has had a difficult journey with this claim. I don't think Ageas has progressed this matter as it should've done, leading to delays and a prolonged back and forth regarding evidence when it had opportunities to resolve matters earlier than it did. And from the evidence it has provided this Service – it seems unclear to me that Miss S has really been informed exactly what has happened with her settlement and why it was reduced.

As I've explained above, as it stands I'm persuaded that Ageas' conclusions are fair, but I'm not satisfied it has clearly set this out to Miss S at any stage from everything I've been given.

Ageas' own notes from October 2022 reflect it missed opportunities to inspect items and that it was aware it hadn't carried out cleaning itself. Ageas has made comments about the photos Miss S provided – saying they didn't all show damage.

Given Ageas knew it didn't clean or collect items and it was aware that Miss S had experienced sewage across her home, it seems clear to me that items (particularly those at floor level such as furniture and carpets) would've been impacted by such an

event. From what I've seen, Miss S was advised to dispose of items due to their contamination. On its face in these circumstances, I think this seems like a sensible step.

Ageas has indicated that this disposal prevented it from validating certain items or determining if there was scope for repair. I agree this is the case, but given the circumstances around this, it's unclear to me what it expected Miss S to do. From my understanding, it expected her to retain contaminated items across her home for a prolonged period of time while it had failed to carry out any immediate inspection or offer any cleaning services itself. So, while I accept some of these items may have been repairable, I'm not satisfied Ageas can say it is Miss S who has prejudiced this claim, nor that it should've held these circumstances against her as it appeared to.

Regarding the particular concerns Miss S has raised about agents, I want to assure Miss S I've taken this into account when looking at the handling overall.

Taking into account the period of this claim I can consider I'm directing Ageas to pay Miss S £600 for the distress and inconvenience it has caused her by delaying matters, communication issues with agents as well as failing to keep her clearly updated with the details of her claim or an understanding of what was and wasn't covered."

I concluded saying I was intending on directing Ageas to:

- "Pay £600 in compensation to Miss S for the distress and inconvenience it has caused her.
- For the March 2022 claim – Ageas must provide this Service and Miss S with a full list of items covered/not covered under this claim and any price enquiry data it has relied upon (in keeping with its final report of July 2024 for claim two). If it fails to do this by the deadline of this decision, I will be directing Ageas to accept all items Miss S has included on her own list for the flood claim (in addition to any already paid) and settle claim one on that basis.
- For any claim related payment Ageas may be required to make, I'll also be directing it to pay 8% simple interest from the date Ageas made its respective offers of settlement to date of payment."

I gave both parties up until 5 October 2025 to respond. Miss S responded to say:

- She never had any intention to be underinsured and reiterated her annual conversations with Company T at renewal reflected the level of cover she wanted to take.
- Miss S gave a detailed account of life for her and her family during the time the claim was ongoing, including the impact of delays and frustration of her belongings being damaged as they were and remaining within the home. Miss S has put forward that it was unreasonable for Ageas to not expect her to clean her home to the best of her ability (suggesting photos would not reflect the extent of the damage).
- Miss S says Ageas had unfairly valued her items, mentioning some specific items including dresses and a specific vacuum cleaner which Ageas was pricing at £390, which she said was for sale at £700. She also provided an invoice for lamps that Ageas had valued at about £130 less than she paid.
- Miss S said Ageas shouldn't have taken into account the value of cash within her home when calculating the contents of her home.

Ageas also responded, but did so on 6 October 2025. It didn't provide any further evidence as requested within the provisional decision, and it stated that it questioned the scope of my investigation, saying:

- The March 2022 claim was settled in April 2024 and Miss S hadn't complained about it at the time of settlement.
- This Service had previously investigated the impact of handling on the March 2022 claim within a previous final decision (of February 2024).
- The only complaint it had considered within its final response letter of November 2024 concerned the August 2022 claim.

So, the matter has been passed back to me for an Ombudsman's final decision.

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, my decision is in line with my provisional decision. I'll explain why and address Miss S and Ageas' responses in turn.

Miss S' responses

Miss S has been clear she had no intention to be underinsured. As I've explained, I'm satisfied Ageas has acted fairly in relation to the August 2022 claim. If Miss S considers the way the policy was sold by Company T has caused her to lose out, this is a matter that will need to be considered against Company T under a separate complaint reference.

Miss S has given details of her life following the claim. I want to express my sincere sympathy for the events she described; I have no doubt that having her home impacted by the flood would've been a traumatic experience for her. However, my focus is on the impact of Ageas' actions, not the distress caused by the incident itself. And this is what I've done.

Miss S has provided some examples of items she says Ageas has undervalued. As I've outlined previously, I won't go through the full list of her items here, but I'm satisfied it was fair for Ageas to consider the value of rebuying these items today. With the vacuum she highlights, it appears to me that particular model is an older model that the manufacturer no longer sells directly, so I'm satisfied this is the likely reason for the price now appearing to be considerably higher online (£700) than when she bought it (£489 in 2019). The particular lamps Miss S bought are no longer for sale and Ageas has provided a suggested equivalent replacement within its settlement table – having looked at the item it found I would agree Ageas' suggestion is a fair one, and its value happens to be cheaper than Miss S's original purchase price while appearing to be the same/similar specification and quality.

Miss S said Ageas shouldn't have taken into account the value of cash within her home when calculating the contents of her home. Contents is defined within her policy wording as "*Household goods and personal property, Personal money and Valuables.*" This is a common term across policies of this nature – so I'm satisfied Ageas was correct to consider this as it did.

Ageas' response

Within my provisional decision I outlined that Ageas would need to provide me with a list/breakdown of the items it covered for the March 2022 claim. Disappointingly it hasn't

engaged with this point and instead made the suggestion that I should not be considering this matter at all in light of a previous final decision.

The previous final decision of February 2024 did consider the handling of the March 2022 claim. But (as I outlined in my provisional decision, and as the previous decision made clear) this only considered matters up until October 2023. In Ageas' most recent response it states itself it didn't settle that March 2022 claim until April 2024 – some two months after the previous decision was issued. So, I disagree that this Service has ever considered the settlement of that claim previously. Put simply, settlement hadn't taken place when the previous decision was made.

I also want to be clear that the compensation sum of £600 I have directed Ageas to pay takes into account the timeframe that follows the previous final decision, up until the date of this decision.

And I would highlight that throughout Miss S' submissions, from her first complaint form and throughout her correspondence she's frequently made reference to the two claims being interlinked – and it being unclear to her which items were covered under which claim. I've included a section of her wording from her complaint form under this reference:

“I would like asking for help with claim from insurance company for 2 floods (water and sewage) — connected to previous case under your number [previous reference].

I was finally paid compensation, but it was few times less than the calculated losses. I believe that I was deceived by the insurance company.”

So, I'm satisfied Ageas has had ample opportunity to understand Miss S' complaint and that this tackles both claims overall. Ageas highlighted Miss S appeared to accept the March 2022 settlement without issue, but from what I've seen she was unclear about what was covered within this settlement. And given she's only first seen the breakdown of the August 2022 list of items within my provisional decision, I can understand why Miss S has been confused by what was covered within her claims. So whether Ageas chose to answer these concerns within its final response letters is immaterial at this stage given the age of this complaint, and that I'm satisfied she has raised these concerns throughout.

As I outlined in my provisional decision, if Ageas didn't provide this evidence – which I think should've been a simple matter given the nature of its settlement and given it was able to do so easily on the August 2022 claim – I would be directing it to cover all items Miss S had claimed for under the first claim using her own list as a guide.

As Ageas has chosen to not provide me with a breakdown of the items which fell under that settlement I've got little to go on to support that it handled that aspect fairly. And in turn, I can understand why Miss S may have felt in the dark about the scope of her settlement itself.

So, I'm directing Ageas to reconsider the March 2022 settlement – by accepting all of the items Miss S has listed within her own spreadsheet submission (which Ageas has). Once it has done this, it should share with Miss S a full list of these items and set out clearly: which it has already accepted and paid, and at what value, and which it will now additionally accept and pay, and at what value.

When Ageas takes the next steps with the claim, I would expect it to keep in mind its obligations under ICOBS 8.1, which says an insurer must:

- Handle claims promptly and fairly
- Provide reasonable guidance to help a policyholder make a claim and

appropriate information on its progress

If Miss S is unhappy with the next steps Ageas takes with the March 2022 claim, she's entitled to raise a new complaint.

It's unclear to me which items (if any) weren't covered by that claim – and what values any accepted items have been given. If there are any items not already covered under the March 2022 claim (and that weren't subsequently covered in the August 2022 claims), it will need to agree to settle this now in line with the remaining terms and conditions.

If it chooses to, Ageas will be allowed to carry out any pricing enquiries (as it has done on the August 2022 claim) but it will need to share this information with Miss S. And for any avoidance of doubt, I would consider it fair for Ageas – in line with its terms and conditions – to factor in any underinsurance when settling any of these additional items (if there are any).

My final decision

For the above reasons I'm upholding this complaint. I direct Ageas Insurance Limited to:

- Pay Miss S £600 in compensation for the distress and inconvenience it has caused throughout the life of the claims that I've been able to consider under this complaint.
- For the March 2022 claim – Ageas must accept all items Miss S has included on her own list for the March 2022 flood claim (if not already accepted or settled within the August 2022 claim). If Ageas chooses to, for any items not covered it may still carry out pricing enquiries. And for *all* items on that list – it should provide Miss S with details of any reductions.
- For any claim related payment Ageas may be required to make, it must pay 8% simple interest from the date Ageas made its original offers of settlement to Miss S until the date of payment.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 6 November 2025.

Jack Baldry
Ombudsman