

The complaint

Mrs K has complained that Ageas Insurance Limited (“Ageas”) hasn’t paid her fairly for lost rent following a subsidence claim.

What happened

In 2021 Mrs K made a claim under her policy with Ageas, following subsidence related damage to her tenanted property. Ageas caused some delays in its handling of the claim, so Mrs K referred a complaint to the Financial Ombudsman Service about the service she’d received.

In recognition of the delays and poor service, Ageas offered Mrs K compensation and that complaint was dealt with by this Service and closed in February 2025.

Mrs K also told Ageas she had wanted to increase the rent but that the ongoing situation with the claim was preventing her from doing so. Our Investigator told Mrs K to submit a loss of rent claim to Ageas and to await its response.

Ageas said it would agree to pay £900 a month, but wouldn’t cover the potential £1,200 per month of lost rental income Mrs K felt she could have received from her tenants for the property, had it not been for the ongoing claim.

Mrs K complained to Ageas about its decision not to increase her payments for lost rent. It said, in its response, that it couldn’t pay her what she thought she would receive, as her contract with her tenants was for £900 per month. It said it would pay this until repairs had been completed.

Mrs K didn’t accept Ageas’s response, so she referred her complaint to this Service. Our Investigator considered the complaint, but didn’t think it should be upheld. He told Mrs K that Ageas hadn’t offered an unfair amount for lost rent, as there wasn’t enough evidence that the rent would’ve increased.

Mrs K didn’t agree with our Investigator’s conclusions, so the complaint was referred to me for an Ombudsman’s 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.

As this is an informal service, I’m not going to respond here to every point raised or comment on every piece of evidence Mrs K and Ageas have provided. Instead, I’ve focused on those I consider to be key or central to the issue in dispute. But I would like to reassure both parties that I have considered everything submitted. And having done so, I’m not upholding this complaint. I’ll explain why.

The insurance industry regulator, the Financial Conduct Authority (FCA), has set out rules and guidance about how insurers should handle claims. These are contained in the

'Insurance: Conduct of Business Sourcebook' (ICOBS). ICOBS 8.1 says an insurer must handle claims promptly and fairly; provide reasonable guidance to help a policyholder make a claim and give appropriate information on its progress; and not unreasonably reject a claim. It should also settle claims promptly once settlement terms are agreed. I've kept this in mind while considering this complaint together with what I consider to be fair and reasonable in all the circumstances.

And I've not seen any evidence which persuades me that the rental income Mrs K would've received from her tenants would've increased. I say this because it was confirmed by Mrs K's representative that the current tenancy agreement was for £900 per calendar month, and the only evidence I've seen which mentions the higher rent is a copy of a letter Mrs K has written to her tenants, saying she will not increase the rent due to the issues with the property. This doesn't persuade me that she would have received higher rent if the property had been repaired.

I've not been provided with any further evidence, such as an agreement from her tenants or other tenants that they would've paid the higher rent, or compelling evidence from a property agent for example. Whilst Mrs K's representative has suggested in an email dated 29 August 2025 to the Investigator that they could obtain further evidence, none has been provided.

The rent hadn't increased since 2016, and the available evidence hasn't persuaded me that it would've increased during the course of this claim, had the delays not occurred. So I don't consider Ageas's offer for lost rent to be unreasonable in the circumstances.

I haven't considered the other comments made by Mrs K's representative about the ongoing delays, as that wasn't the subject of this complaint. The complaint form to this Service only mentions the issue regarding loss of rent, and the final response letter from Ageas dated 6 May 2025 also doesn't deal with the time it's taking to resolve the claim. As Mrs K is unhappy about the ongoing delays, following on from when our previous Investigator considered the delays, then she can make a further complaint to Ageas about that.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 2 March 2026.

Ifrah Malik
Ombudsman