

The complaint

Mr H and Mrs H complain about Allianz Insurance Plc's handling of their buildings insurance claim.

All references to Allianz also include its appointed agents.

What happened

What my decision considers

Allianz provided a final response letter to a previous complaint raised by Mr H and Mrs H which addressed the handling of their claim and delays in February 2024. I can also see a final response was issued to Mr and Mrs H in March 2023 regarding Allianz's handling of the claim.

My findings consider events following Allianz's final response issued in February 2024 up to its final response of August 2024. Any reference to events outside of these dates is for context only.

Below is intended to be a summary of the events that led to this complaint and isn't a full timeline of everything that happened or every point made.

- Mr H and Mrs H are the owners of a property of which they rent to tenants. Around December 2022 the property suffered an escape of water, and Mr H and Mrs H made a claim to Allianz.
- Mr H and Mrs H are unhappy with Allianz's handling of the claim. They said it delayed carrying out reinstatement works at the property, and its communication has been poor.
- Mr H and Mrs H said they have been impacted by loss of rent, increased insurance premiums and council tax due to the property being unoccupied.
- They said Allianz didn't give any compensation for their transportation costs to the property, to discuss matters with contractors or for checking the property while it was unoccupied.
- Mr H and Mrs H said they were in the process of selling the property and Allianz refused to provide a written guarantee for completion of the reinstatement work, meaning this affected any potential sale.
- In correspondence between March 2024 and June 2024, Mr H and Mrs H also provided further details of costs they incurred or felt they should be reimbursed for.
- Mr H and Mrs H made a complaint to Allianz in June 2024.
- In its final response letter of August 2024, Allianz said there had been a delay and lack of communication from its loss adjusters regarding the claim and awarded a £250 compensation for the inconvenience its actions caused.
- Mr H and Mrs H weren't satisfied with Allianz's response, so they referred the complaint to our service.

Our investigator's view

Our investigator recommended the complaint be upheld.

Our investigator mentioned that having an open claim would impact premium pricing, but she wasn't persuaded that Allianz had coerced Mr and Mrs H into renewing the policy.

Our investigator also considered reimbursement costs put to Allianz by Mr H and Mrs H.

In this regard she set out the following:

- Allianz reimbursed costs of a dehumidifier and electricity costs.
- Allianz declined to cover the cost of repairing the leak and having reviewed the terms of the policy, she was satisfied this wasn't covered. So Allianz had acted fairly in this regard.
- Regarding the renovation insurance taken out by Mr H and Mrs H, she said she wasn't satisfied Allianz needed to reimburse this cost. She said this was Mr H and Mrs H's choice to take this out and they hadn't been advised to do so by Allianz.
- Regarding travel expenses, she explained this was a normal consequence of making a claim, so didn't recommend Allianz reimburse these.
- Our investigator considered it would have taken around two months for Mr and Mrs H to re-let the property and secure a new tenant after repairs were concluded.
- She said Mr H and Mrs H had delayed matters in not providing a signed mandate for around four months between May and September 2023. However, she felt except for this, loss of rent was valid between March 2023 and when the property was re-let to a tenant.
- However, she didn't think council tax costs should be reimbursed as these were not covered under the policy.
- Considering the compensation offered by Allianz, our investigator thought this was fair in the circumstances

Allianz didn't agree with our investigator's view of the complaint. It said:

- While the policy provided cover for loss of rent, the property was vacant at the time of the escape of water, and Mr H and Mrs H had no rental contractual agreement in place with a tenant. Therefore, they hadn't suffered a financial loss.
- It said works were completed at the property in April 2024, and while there were some snagging issues this shouldn't have delayed a tenant being secured.

Mr H and Mrs H didn't agree with our investigator's view of the complaint. They said:

- Allianz had admitted causing delays throughout the entire claim process but didn't feel she had challenged this.
- They didn't agree they caused delays regarding their signing of a mandate. They've set out why they feel the investigator was incorrect here.
- They pointed out several instances of how they felt Allianz delayed the claim or acted improperly during the claim. They said had Allianz not caused avoidable delays; the claim would have been completed by July 2023.

My provisional decision

I issued a provisional decision on 9 January 2026. In my provisional findings, I said:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint."

I understand Mr H and Mrs H feel strongly about what has happened. They've provided numerous submissions to support their complaint, and I want to assure them I've read and considered them carefully. However, my findings focus on what I consider to be the central issues, and not all the points raised.

This isn't mean as a discourtesy. The purpose of my decision isn't to address every single point the parties have raised or to answer every question asked. My role is to consider the evidence presented by all the parties and reach what I think is a fair and reasonable decision based on the facts of the case.

Having done so, I'm not intending to uphold the complaint. I'll explain why.

Carpets being treated as contents under the claim

I can see our investigator has commented on this in her view. This does appear to be an issue that was raised in discussions with Allianz during the claims process, but I can't see this point has been specifically responded to as part of a complaint. So for completeness I have considered this.

The policy defines contents to include carpets. While the carpets might have required disposal regarding the escape of water, the policy sets out clearly that carpets are classified as contents, so I don't think Allianz were unreasonable in treating the carpets as contents.

Appointment of a loss assessor

Again, I can see this has been commented on in our investigator's view, so I have considered this here. However, I've not seen anything that persuades me Allianz prevented Mr H and Mrs H from appointing their own assessor or similar representative to manage the claim on their behalf. More that it made them aware that they would need to do so at their own expense. I've also not seen anything to persuades me it was necessary for Allianz to pay for Mr H and Mrs H to appoint their own representative.

Premium increase

I can see this issue formed part of a previous complaint, detailed in an email from Mr H and Mrs H in December 2023, it doesn't appear to have been addressed in Allianz's final response letter in February 2024. While I'm not considering delays prior to the final response of February 2024. I have considered here what Mr and Mrs H have said about the price of the renewal premium and feeling coerced into continuing with the policy.

However, having reviewed everything available to me I've not seen anything that persuades me they were coerced into taking the renewal. Mr H and Mrs H had the option to seek cover elsewhere; I can't see that Allianz said or did anything to suggest that they couldn't do so.

We're not the industry regulator. That means it's not our role to tell an insurer how much it can charge for its policies. Neither is it our role to tell an insurer what factors it should take into account when assessing risk to calculate a premium. Different insurers will have different views on what presents a risk and the extent of those. That's essentially a matter of commercial judgement and not something we would usually think it's fair to interfere with.

And we generally take the view that, providing they treat people fairly - that is they treat people with the same circumstances in the same way - insurers are entitled to charge what they feel they need to in order to cover a risk. Unfortunately, having a claim on the policy, particularly something of the nature such as an escape of water or similarly large claim, can

impact the pricing. I've not seen anything that persuades me Mr H and Mrs H have been treated unfairly here.

Reimbursements

I can see Allianz have reimbursed some costs such as dehumidifiers, energy costs. Which I would expect. However, having reviewed the policy, it doesn't cover the cost of repairing the leak itself. So I don't think Allianz have acted unfairly in this regard in declining to cover this cost.

Regarding the renovations insurance, while I understand their concerns and why they chose to do so, I can't see Mr H and Mrs H were advised by Allianz to take out this insurance, and that they did they so of their own choice. So, I won't be asking Allianz to reimburse this cost.

Reimbursement of travel expenses is not covered under the policy, and it isn't something that commonly is. These are reasonable and normal costs that Mr H and Mrs H would need to bear as part their responsibilities as owners, and I can't see there was unnecessary or excessive issues requiring them to travel to the property in the timeline I'm considering. So, I don't intend to make any award here.

Loss of rent

The policy does provide loss of rent cover, but it doesn't appear to be in dispute that there wasn't a tenant in place at the time of the incident. So, as there wasn't a tenant, and I've not seen any evidence Mr H and Mrs H had a tenant in place due to move in at the time, this cover wouldn't engage under the terms of the policy.

However I can see Mr H and Mrs H have raised that they have been unable to market the property due to the actions of Allianz. Allianz has considered delays in its final response of February 2024, which I won't consider here. But I have considered whether a consequential loss has occurred because of this. However, having done so, I don't agree it has.

From email chains I can see Allianz required a copy of signed mandate to proceed, which wasn't provided until September 2023. I can see there were several queries and requests from Mr H and Mrs H prior the mandate being provided but I can't see Allianz caused a delay in work starting. Allianz made it clear it needed this mandate to be able to progress matters.

Once receiving the mandate, I can see the claim progressed with the claim moving forward. and contractors attending the property around January 2024 and works concluding around April 2024. I am aware there are some subsequent issues Mr H and Mrs H have raised following repairs concluding, such as the kitchen radiator. But I'm not persuaded this would prevent them from proceeding with marketing the property.

Also considered whether repairs could've been completed quicker and property re-tenanted. Whilst Allianz has acknowledged there have been delays in providing responses to queries, I'm not persuaded between when property was ready for repairs to commence and when completed in April, Allianz caused avoidable delays.

I've seen anything to show the property was marketed or that it was attempted to be, or that the actions of Allianz, such as what Mr and Mrs H raised about certificates and guarantees had held up marketing.

Council tax

Council tax isn't a cost that is covered under the terms of the policy, so I won't be asking Allianz to reimburse this. While Allianz has acknowledged there were issues and delay in its

communication, from the timeline I've reviewed I've not seen anything to persuade me it should meet these costs.

Delays and compensation

Allianz have acknowledged that its communication had been poor in responding to queries raised by Mr H and Mrs H following its final response in February 2024. I appreciate why Mr H and Mrs H may feel I should award a significant amount of compensation here. However, having reviewed everything available to me, for the period and issues I'm reviewing as part of this complaint, I think Allianz offer of £250 compensation fairly reflects the inconvenience caused to Mr H and Mrs H here. So, I do not intend to make a further award."

Responses to my provisional decision

Allianz didn't provide any further response following my provisional decision.

Mr H and Mrs H didn't agree with my provisional decision. In doing so they have provided further considerable detail about why they disagree, reiterating why they felt Allianz had caused continuous delays in its handling of their claim and that this resulted in a serious consequential loss. They have also mentioned at several points in their response about Allianz's failure to appoint a loss assessor to represent them.

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've reconsidered all the available information along with Mr H and Mrs H's additional comments, but it doesn't change my decision – or my reasoning.

I'm sorry to read about Mr H and Mrs H's dissatisfaction with my provisional findings. However, I must emphasise here, we're not a regulator. We're an informal dispute resolution service, set up as a free alternative to the courts. And it is my role to act impartially. I'm not on the side of any party; and the nature of what our service does, means often that one party will inevitably be disappointed.

In deciding this complaint I've focused on what I consider to be the heart of the matter rather than commenting on every issue in turn. This isn't intended as a discourtesy to Mr H and Mrs H, disregarded evidence or not considered everything. It simply reflects the informal nature of our service; it's remit and my role in it.

I've set out in a separate decision why we can't investigate some of the issues and the period of time Mr H and Mrs H have asked me to consider. Primarily I set out why I'm not considering delays prior to the final response of February 2024.

This means I can't consider many of the points Mr H and Mrs H have made regarding this in their response. So, I make no further comment on this here.

Allianz did appoint an assessor to manage the claim, which is common. But it isn't common for an insurer to arrange the appointment of a loss assessor to represent a consumer.

I've not seen anything that persuades me Allianz prevented Mr H and Mrs H from appointing their own assessor or similar representative to manage the claim on their behalf. And I can see it told Mr H and Mrs H it could do this in its emails, but they would need to do so at their own expense.

I appreciate why having their own loss assessor managing the claim would've provided assurance to Mr H and Mrs H. But this was a relatively straight forward claim, and therefore a loss assessor wasn't required. So, I'm not persuaded Allianz have acted unfairly for explaining what it did.

I've noted Mr H and Mrs H's comments regarding the premium increase. But as I said in my provisional findings. I've not seen anything that persuades me they were coerced into taking a renewal. Mr H and Mrs H had the option to seek cover elsewhere; and from their comments in their response, it seems they took this option. I can't see that Allianz said or did anything to suggest that they couldn't do so – or raised any objection.

I understand why Mr H and Mrs H feel Allianz should consider their long-term custom, and their frustration that it didn't, but it's not our role to tell an insurer how much it can charge for its policies. Neither is it our role to tell an insurer what factors it should consider when assessing risk to calculate a premium. Different insurers will have different views on what presents a risk and the extent of those. That's essentially a matter of commercial judgement and not something we would usually think it's fair to interfere with.

As I set out in my provisional decision, I have considered whether a consequential loss has occurred because of Allianz's actions. However, having done so, I don't agree it has.

Allianz said it required a copy of a signed mandate to proceed, which wasn't provided until September 2023. I can see there were several queries and requests from Mr H and Mrs H prior the mandate being provided. I know the relevance of the mandate is disputed by Mr H and Mrs H. But looking at what did happen, Allianz made it clear it needed this mandate to be able to progress matters and I can't see Allianz caused a delay in work starting

Once receiving the mandate, I can see the claim progressed with the claim moving forward. I've not seen periods where I identified avoidable delays as Mr H and Mrs H have said. This included obtaining contractors and arranging for them to attend the property, which they did from around January 2024. With works concluding around April 2024. I am aware there were issues Mr H and Mrs H raised following repairs concluding but I'm not persuaded this would have prevented them from proceeding with marketing the property.

I also set out previously that I considered whether repairs could've been completed quicker and the property re-tenanted.

Whilst Allianz acknowledged there have been delays in providing responses to queries, I'm still not persuaded between when the property was ready for repairs to commence and when they were completed in April, Allianz caused avoidable delays.

In addition, I've not seen anything to show the property was marketed or that it was attempted to be, or that the actions of Allianz, such as what Mr and Mrs H raised about certificates and guarantees had held up marketing.

Overall, having considered everything, I'm satisfied that Allianz have dealt with the claim in line with the policy terms and conditions. I'm also satisfied it has reasonably recognised the impact it's poor communication had on Mr H and Mrs H and it's offer of £250 compensation was fair.

My final decision

My final decision is that I do not uphold Mr H and Mrs H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H and Mrs H to

accept or reject my decision before 24 February 2026.

Michael Baronti
Ombudsman