

The complaint

Mr W complains about delays and poor service from his insurer, Covea Insurance plc (Covea), when dealing with a claim under his home insurance policy.

Mr W was supported by a representative when making his complaint. References to Mr W include his representative.

What happened

In September 2020 there was a fire at Mr W's property, causing significant damage. Mr W lodged a claim with Covea, who appointed C to manage the claim and the reinstatement work. C sent a loss adjuster to inspect the property, who told Mr W that the extent of the damage meant he would have to move into alternative accommodation while the property was reinstated.

Mr W contacted C frequently to check on progress with the repair work and his claim. Further discussions about the work took place the following month, including stripping out of the property and the need for replacement of the roof before the reinstatement work could begin. Contractors were engaged and submitted estimates for the replacement of the roof (October 2020) and reinstatement work (November 2020). In December 2020 Mr W submitted a list of items that were beyond economical repair (to be assessed under the claim). Work to replace the roof began in January 2021.

Having had to chase C to find out progress with the reinstatement work, Mr W raised his concerns in February 2021 about the lack of progress and the time being taken for reinstatement work, as well as dissatisfaction with how the claim had been managed. Mr W was also unhappy at having only been reimbursed for two months' rent at the alternative accommodation, having had to pay six months' rent himself (to March 2021). At that point, the reinstatement work at Mr W's property was in progress and it was unclear when it would be completed, so Mr W could move back into their property. Mr W moved back into his property in June 2021. At that point, although most of the reinstatement work was complete, the remaining work was on hold pending completion of some improvements Mr W was having done privately.

C logged Mr W's concerns as a complaint with Covea, although due to an administrative oversight this didn't happen until March 2021. Covea considered Mr W's complaint and upheld it. They spoke to Mr W to discuss his concerns, after which they issued their final response (in April 2021). In the final response, they said they'd not initially been aware of the complaint Mr W lodged with C but that they understood C had retrospectively resolved the complaint. But Covea acknowledged that there had been issues with the claim that meant C hadn't provided the service expected of them.

Mr W then complained to this service. He was unhappy at how Covea had managed his claim, the delays he'd experienced and the service he'd received. There were several issues with the handling of the claim, including the time that he'd been away from his property and having to pay for rented accommodation himself (before it was reimbursed). The experience had caused him and his family significant stress and anxiety and he wanted compensation.

Our investigator upheld the complaint, concluding Covea hadn't acted fairly. She thought the claim had been handled poorly and some of the delays were unnecessary and could have been avoided. There were significant delays in approving the reinstatement costs, and work didn't begin until six months after the claim was lodged. Mr W also had to chase Covea for information as well as for reimbursement of rent costs he'd paid. Covea failed to keep him updated on progress with his claim, with late or cancelled appointments. While Covea had apologised to Mr W, the investigator thought Covea needed to do more to put things right. She thought they should pay £500 in compensation for the delays and poor service.

Covea disagreed with the investigator's conclusions and requested an ombudsman review the complaint. While they accepted the service provided to Mr W wasn't what he expected, they thought his complaint to them had (by the time Covea considered it) been resolved and that Mr W was content with an apology. Mr W had raised new issues but hadn't registered a fresh complaint with them. Covea added that some of the works covered by the claim were delayed by Mr W having some private works carried out.

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'd first want to say to Mr W that I appreciate the fire and the extensive damage to his property would have been a very stressful experience, as well as having to move into alternative accommodation. I've borne this in mind when deciding whether Covea have acted fairly towards Mr W. In referring to Covea, I include C as their agents who managed the claim and the reinstatement work.

I've also considered what Covea have said about the issues Mr W raised in his complaint being (retrospectively) resolved (by C). And that when they spoke to Mr W, he was content with an apology and that the complaint could be closed. Having listened to the call, I can understand Covea's view. However, having been sent a final response, a consumer still has the right to complaint to this service within six months (which Mr W has done). The call did give Mr W the opportunity to raise further issues directly with Covea (or register a fresh complaint). I've not seen any indication that Mr W raised a further complaint with Covea (or a further final response from Covea). So, this decision only covers those issues raised by Mr W (with C) in February 2021 and Covea's subsequent final response.

In their final response (and in their response to our investigator's view) Covea accept that the service they provided to Mr W fell short of the standards he should have expected. So, the question I've considered is whether Covea have done enough to put things right. Having done so I've concluded they haven't and should do more, for the reasons I'll set out.

In doing so I've considered what Mr W has told us alongside the timeline set out earlier, as well as Covea's own case notes, to gain an understanding of the sequence of events and what happened. I think there are several key aspects, which I've thought about in turn. First, there's the time taken to determine the reinstatement work needed on Mr W's property and for the work to be carried out. Looking at the evidence available and the timeline of events, it took over two months for an estimate of reinstatement costs to be provided, and then a further three to four months for them to be fully approved, including delays in a surveyor attending the property to validate the estimate. That in turn meant the reinstatement work couldn't start. While I'd expect significant reinstatement work of the extent necessary at Mr W's property to take some time to be put in place, I think this took longer than it should have done. In turn, this meant Mr W and his family had to spend longer in alternative accommodation than necessary.

Second, there's the lack of communication and responsiveness by Covea (by C) with, and to, Mr W during the process. From what Mr W has told us and the evidence he's provided, together with what Covea have said and their case notes, I've concluded that communication and responses to Mr W weren't always timely. It's clear Mr W had to contact C quite often and regularly to ask about progress and what was happening. Appointments made weren't always kept, adding to the delay and stress to Mr W. While complaint handling isn't a regulated activity that falls within the remit of this service, I've noted that Mr W's complaint to C wasn't initially raised with Covea as it should have been, in accordance with Covea's internal process. I've also noted, in the final response, that Covea took steps to address issues with C's performance and service to customers, including Mr W.

A third issue raised by Mr W was the payment and reimbursement for alternative accommodation that Mr W moved into while his property was being reinstated. Mr W was concerned that he'd had to pay himself for the accommodation and that he'd only been reimbursed for two of the six months he'd paid. However, I've also noted that the alternative accommodation was secured by Mr W himself, rather than through the agency that Covea would normally use in such situations. Given that, I don't think it's unreasonable for Covea to reimburse Mr W for the costs on production of appropriate evidence. It's not fully clear at what point the issue raised by Mr W came up (given the point about this decision covering those issued covered by Covea's final response) but my conclusion is that I don't think it's a significant issue for my decision.

Coming back to the question of what Covea needs to do to put things right, I've thought carefully about this. Mr W asks for compensation and our investigator thought £500 would be fair. I've considered this in the light of my conclusions about the delays in the reinstatement work and the shortcomings in communication and responsiveness by Covea (by C). I've considered what Mr W has told us about the impact of the delays and lack of communication and responsiveness, and I can understand that this would have been stressful, particularly the length of time taken to assess his claim and undertake reinstatement work. Taking all these factors into account I think £500 is fair and reasonable.

My final decision

For the reasons set out above, it's my final decision to uphold Mr W's complaint. I require Covea Insurance plc to:

- pay Mr W £500 in compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 18 March 2022.

Paul King
Ombudsman