

The complaint

Mr W and Mrs W complain about their contents insurance provider, Covea Insurance plc (Covea). Their complaint is about damage caused at their property by a plumber attending to fix a leak.

References to Covea include their agents who provided the plumbing service.

This decision covers Mr W and Mrs W's complaint about Covea, as the insurer of their contents insurance policy. It doesn't cover the separate insurer that provided the buildings insurance policy.

What happened

In June 2021 Mr W and Mrs W noticed a leak in their property and contacted Covea's out-of-hours team. Covea arranged for a plumber to visit, who attended later the same day. Mr W and Mrs W said the leak was coming from the bathroom upstairs, but the plumber couldn't locate the source of the leak, despite making a hole in the ceiling. The plumber was eventually able to locate the leak from under the tiles in the bathroom and fixed it. Mr W and Mrs W paid £296 for the work, thinking they'd be able to reclaim the cost from Covea.

Mr W and Mrs W weren't happy with the damage caused by the plumber in tracing the leak, or the repairs carried out, so complained to Covea. But Covea said they only provided contents insurance under the policy, so they'd made a mistake when they sent the plumber. Mr W and Mrs W then contacted their buildings insurance insurer, who accepted their claim and arranged for the damage to be repaired. But Mr W and Mrs W had to pay a policy excess of £350.

Unhappy at what had happened, Mr W and Mrs W complained to Covea again. They said Covea shouldn't have sent the plumber to repair the leak, and they were unhappy at the plumber's manner as well as the damage caused.

Covea upheld their complaint in part. In their final response, they acknowledged they should have realised Mr W and Mrs W only had contents insurance, so should have referred them to their buildings insurer. Covea removed record of the claim they'd registered (as no contents were damaged in the incident). They also sent a small gift. Regarding the quality of the plumber's work, Covea didn't uphold that aspect of the complaint. They said the work was complex and access needed both through the ceiling and the bathroom floor. The plumber sought Mr W and Mrs W's agreement to do so. The difficulty of the repair meant the plumber attended for longer than the length of time billed for.

Mr W and Mrs W then complained to this service, unhappy at what had happened. They said Covea's plumber had caused significant damage in tracing and accessing the leak. They wanted reimbursing for the cost of the plumber (£296), the excess they'd paid on the claim under their buildings insurance, as well as compensation for the inconvenience suffered.

Our investigator upheld the complaint, concluding Covea hadn't acted fairly. As Covea accepted it shouldn't have sent the plumber, the investigator looked at what was likely to have happened had Covea not sent the plumber. He thought it likely Mr W and Mrs W would

have contacted their buildings insurance provider, who would have sent a plumber. In that scenario, he thought it likely Mr W and Mrs W would still have had to claim for the cost of repairing the damage, both from the leak and from the work necessary for trace and access and to fix it. That was likely to have exceeded the policy excess of £350, so they'd have paid it in any event. But they wouldn't have had to pay for the plumber, so the investigator thought Covea should reimburse that cost. Given the inconvenience they'd suffered while waiting for repairs to be carried out and having to deal with different companies, the investigator thought Covea should pay £300 compensation to Mr W and Mrs W.

Covea disagreed with the investigator's conclusions and requested an ombudsman review the complaint. While they accepted responsibility for reimbursing the cost of the plumber, they didn't think they should also have to pay £300 in compensation. They said industry practice would have meant Mr W and Mrs W engaging a plumber themselves and bearing the cost (even through their buildings insurer). In sending a plumber when the contents policy didn't provide that cover, Covea said they'd done something they weren't obliged to do. They also felt the inconvenience of having to deal with different companies wasn't due to them, as the policy broker was responsible for selecting the insurer for each element of the policy. Covea also said they'd deleted the claim from the Claims Underwriting Exchange (CUE) database, to mitigate any increase in policy premium (as no contents were damaged). Together with the small gift, they didn't think the £300 additional compensation was fair.

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.

My role here is to decide whether Covea have acted fairly towards Mr W and Mrs W.

In considering Mr W and Mrs W's complaint, I've considered the three main elements they've raised. The first is the cost of the plumber that Covea arranged when the leak was reported. The second is the excess Mr W and Mrs W incurred when they claimed for the cost of repairing the damage from the leak (and the plumber's work to trace and access the leak). The third issue – and the main reason Covea disagreed with our investigator's view - is compensation for inconvenience suffered by Mr W and Mrs W.

On the first issue, I've noted Covea accepted our investigator's view they should reimburse Mr W and Mrs W the £296 they paid the plumber to trace and fix the leak. I think Covea have acted fairly and reasonably in accepting they'll cover the cost. It's true they arranged for a plumber even though Mr W and Mrs W only had contents insurance with them – so to that extent it was a mistake. Listening to the call recording when Mr W and Mrs W first reported the leak to Covea, they say they have contents insurance. Given that, it's not clear why Covea agreed to arrange for a plumber to attend, particularly as Mr W and Mrs W confirm they don't have home emergency cover. It's also made clear the plumber would be provided on a 'pay and claim' basis. That is, Mr W and Mrs W would have to pay the cost and then seek to reclaim it. While Covea accept they mistakenly arranged for the plumber to attend, as they did, I think it's fair they should pay for the cost (and have accepted that). The second issue concerns the £350 policy excess Mr W and Mrs W had to pay (under their buildings insurance policy) for the cost of repairing the damage. Mr W and Mrs W argue they shouldn't have to pay the excess, as they wouldn't have had to make a claim had the plumber not caused damage when tracing and fixing the leak.

Having considered this issue, I don't agree. The buildings insurance policy would have covered the cost of the damage from the leak itself, as an escape of water claim. But the policy document I've seen states that it will cover:

“4. Trace and access

We will pay the costs...for locating the source of water or oil damage including the reinstatement of any wall, flooring or ceiling removed or damaged during the search and the repair of any leaking water or oil pipes.”

I think this makes it clear the cost of reinstatement would be covered under the buildings section of the policy (though it's not clear whether the actual repair itself – as opposed to the trace and access needed to enable the repair to be carried out – would be covered). My understanding is this is what's happened. That being the case, Mr W and Mrs W would always have had to pay the appropriate policy excess applicable under any claim. The same would have been true had they engaged their own plumber (or one engaged by the buildings insurer, had that been the case). As the buildings section of the policy isn't provided by Covea, then it wouldn't be fair or reasonable to ask them to reimburse Mr W and Mrs W for the excess they'd have had to pay in any event.

The final issue is that of compensation. Mr W and Mrs W maintain the plumber caused significant damage in tracing and accessing the leak (then repairing it). They are also unhappy at the quality of the work carried out and the attitude of the plumber. Covea maintain the repair was complex and they didn't charge for all the time taken to locate and then repair the leak. They also say they don't have any concerns over the quality of the work (or the professional ability of the plumber).

I've considered both views carefully. Mr W and Mrs W have provided a detailed account of what happened during the plumber's visit, including how the work was carried out and the length of time it took. From what Covea have said (when responding specifically on Mr W and Mrs W's concerns about the quality of work) this seems to me to be a more general view of the plumber's experience and lack of previous concerns. I've also considered that the nature of leaks is such that it isn't always clear what the source may be (in the initial call to Covea Mr W and Mrs W say it could be from a radiator pipe or from the toilet) and therefore what the best way of tracing and accessing the leak may be. I've also noted what Covea said about the nature of the repair carried out.

In terms of the delays to the repair of the damage (both from the leak itself and the trace and access work to locate and then fix it) I've noted the buildings insurer sent a surveyor to inspect the property a few days after the leak. The surveyor then asked for two quotes to be obtained (one I've seen is dated two weeks after the leak). Given this, I don't think it's fair to attribute subsequent delays to Covea. The policy held by Mr W and Mrs W had separate insurers for the buildings section and the contents section, but that's not Covea's responsibility (it may reflect the property being in shared ownership).

Taking all these factors into account, I do think Mr W and Mrs W suffered some distress and inconvenience from the incident and what happened. I've also noted some subsequent comment from the contractors who completed the reinstatement work about the quality of the repair carried out by the plumber. However, given what I've said about Covea acting fairly in agreeing to reimburse the cost of the plumber and that they can't fairly be held responsible for subsequent delays (or for Mr W and Mrs W having to deal with different insurers) I think £150 in compensation for distress and inconvenience would be fair and reasonable in the circumstances.

My final decision

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

- Reimburse Mr W and Mrs W £296 for the cost of the plumber (if they haven't already reimbursed them).
- pay Mr W and Mrs W £150 in compensation for distress and inconvenience.

Covea Insurance plc must pay the compensation within 28 days of the date on which we tell it Mr W and Mrs W accept my final decision. If they pay later than this, they must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W and Mrs W to accept or reject my decision before 28 June 2022.

Paul King
Ombudsman