

The complaint

Mr L is unhappy about the way Covea Insurance plc handled his enquiry under his residential landlord insurance policy.

Covea has agreed to deal with the complaint. But Mr L actually raised the issues with his insurance brokers "B" who he bought the policy from. Mr L thought he was dealing with B throughout only to find out that when he raised issues about a potential claim he was dealing with another business "S". S handle administration and claims issues for Covea and B. But it is unclear to me when S were dealing with matters as all calls were answered as B. So, for ease I'll refer only to Covea and B throughout this decision.

What happened

Mr L phoned to check some policy details as he'd been contacted by his neighbour regarding a leak from the flat Mr L owns and rents out to tenants. Mr L explained the details he knew about the leak and how he arranged and got it fixed. But he'd now received a letter from a neighbour saying the leak had caused damage to their property and they wanted to claim from Mr L.

Mr L called B to explain all of this. He said he wanted to get advice regarding the terms of his policy, find out about his excess, likely costs, and the process around how the claim would be dealt with. But B said it wasn't able to give Mr L any information as this situation would be handled as a liability claim and it would need to pass the claim details to Covea the insurance company so it could contact Mr L. B said it couldn't just give Mr L a number for him to contact Covea. It said this was because Covea wouldn't have any details about Mr L as it didn't hold any of Mr L's information. It said this was all held by B. Mr L was clear that he was very uncomfortable with this. He made the point to B that as his broker it had sold him the policy and so he expected it to be able to help him with his enquiries before he decided on next actions and whether or not to make a claim. He didn't automatically just want to make a claim. Mr L said B should have made him aware of these issues when he bought the policy. There was also some debate around what excess would apply before some of the policy excess details were provided over the phone to Mr L by B. Although it also confirmed that other excesses may apply by way of endorsements. Mr L confirmed how unhappy he was about this situation, how he couldn't find out the details he needed, and how long it was taking to discuss these matters rather than just get the answers. Mr L said he wanted to raise a complaint about these issues and the poor service. A complaint was logged and started although in some of the conversations Mr L was given the impression, he couldn't log a complaint until he started a claim.

Mr L found all of this upsetting and frustrating and as he didn't think his points had been dealt with, he brought a complaint to this service.

Our investigator upheld the complaint. She said the calls hadn't been handled well. She said Mr L had been clear about what he wanted to do. She said it was unreasonable Mr L had been told by B that he could only get details from Covea after it had been provided with a claim notification, even though Mr L wasn't sure he wanted to start a claim at that point. Our investigator also said she hadn't come across a situation where a customer was unable to

make a complaint unless there was a claim logged. She said this added to the poor service Mr L received. Our investigator accepted that due to the discussion and the length of the call it was clear how frustrated Mr L was getting. As the issues couldn't be resolved and Mr L felt he had to complain our investigator said Covea should pay Mr L £150 for the distress and inconvenience caused.

In my recent provisional decision, I said:

"It is very clear from listening to the call recordings what Mr L wanted to do. What is also clear from the calls is that B either didn't have a way or couldn't find a way to give Mr L what he wanted. I think a customer asking questions about a policy he bought through a broker seems a perfectly normal occurrence. For whatever reason the processes and procedures put in place by B and Covea don't allow such actions to take place. To be told by the broker that it couldn't tell him anything (apart from eventually confirming some of the excess amounts that apply) doesn't seem right. And to further be told that it couldn't just put him through to Covea, his insurance company, because it wouldn't have any of his details would seem very odd to a customer. I don't think there's any argument that such a system is unfair and unreasonable. Mr L should have been able to get answers to his questions either directly from Covea or from B.

During the telephone calls it was clear that Mr L didn't want to immediately set up a claim and he felt he was being forced into doing so. From listening to the calls, it is clear that Mr L was getting this impression. B wasn't able to put Mr L's mind at rest or find another way to get the relevant information to Mr L.

In terms of setting up a complaint B did accept that it got itself in a bit of tangle on this point too. There's no requirement for Mr L to have needed to make a claim to start a complaint and B know this. He was clear that he was unhappy about how long the discussion was taking, the service he was receiving, he felt B should have told him at the point of sale that Mr L wouldn't be able to call it to ask for advice regarding certain elements of his policy. Telling Mr L he wouldn't be able to complain was incorrect.

There's no doubt that by trying to get advice and resolve the potential issues with B and Covea Mr L suffered distress and inconvenience. B on behalf of Covea should have been able to provide a better service and help resolve Mr L's requests. For the distress and inconvenience caused Covea should pay Mr L £150.

Initially there was quite a bit of debate about who was to blame and who should deal with the complaint. B said all the call and claim handling was outsourced to another business "S" so the complaint should be about S. In turn S said it should be against Covea as the insurance company. Covea said initially it should be against B as the broker. All the parties involved will have business agreements in place which clearly state who is responsible for each part of the process. Mr L was clear he bought from B and he thought he was always dealing with B. But for the purposes of this complaint I'm grateful that Covea has at least dealt with the confusion and agreed it is responsible and will deal with Mr L's complaint."

responses to my provisional decision

Covea accepted the decision.

Mr L said he wanted more compensation and said he'd made this point to our investigator. He said his original stress at the time of the incident had been added to by none of the businesses taking responsibility and putting the matter right. Mr L said he wants to challenge further if the amount of compensation isn't increased.

Mr L was also keen to know the consequences for Covea and the other businesses due to the lack of responsibility shown in handling his complaint.

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'm aware that Mr L didn't accept the £150 award. But my decision is based on the details and evidence I have on file. And I think £150 is fair and reasonable in the circumstances of this complaint.

To ensure Mr L is fully updated I asked our investigator to let him know the options open to him in advance of issuing this decision. Mr L can raise the lack of responsibility shown by the businesses involved with his complaint to the regulator – The Financial Conduct Authority.

Based on the responses I see no reason to change the amount and so my provisional decision will be my final decision.

In terms of challenging the amount of compensation if Mr L doesn't wish to accept the £150 he is perfectly entitled not to accept this decision and take legal proceedings against Covea.

Putting things right

- Pay Mr L a total of £150 compensation for his distress and inconvenience.

My final decision

I uphold this complaint.

I require Covea Insurance plc to:

- Pay Mr L a total of £150 compensation for his distress and inconvenience.

Covea Insurance plc must pay the compensation within 28 days of the date on which we tell it Mr L accepts my final decision. If it pays later than this it 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 L to accept or reject my decision before 25 October 2022.

John Quinlan
Ombudsman