

The complaint

Mr P has complained about the service provided by Covea Insurance plc ('Covea') under his home insurance policy following water leak damage to his property.

For the avoidance of doubt, 'Covea' includes its representatives, agents, and contractors in this decision letter.

What happened

Mr P discovered there was a leaking pipe at his home in April 2022. He reported the matter to Covea and it advised him to call his own plumber to trace and stop the leak. It was found that that leak had been caused by a poorly fitted boiler pipe which appeared to have been leaking for a lengthy period. Mr P was unhappy because of the time it took for Covea to arrange for repairs to be carried out as the family had been left without a kitchen for a lengthy period during a time of difficult personal circumstances. They'd also moved out of the house to temporary accommodation for three weeks. Covea didn't consider that it had handled the claim in an unfair or unreasonable manner, however it paid the sum of nearly £1,500 as a goodwill gesture as Mr P and his family had been without a kitchen.

Mr P referred his complaint to our service. The investigator upheld Mr P's complaint and thought that Covea should have dealt with the claim much sooner. She noted that Covea had missed deadlines on several occasions and that Mr P had to chase progress and this added to the distress for Mr P and his family. She thought the delays were unreasonable for what was already a difficult time for Mr P and his family and that Covea hadn't acknowledged this. She thought it only fair that Covea now took some responsibility for the overall delays as Mr P's insurer.

It was the investigator's view that Covea should deal with the repairs urgently and offer an additional amount in compensation. She recognised however that some of the delays were outside Covea's control, such as the need for drying of the property and asbestos testing. The investigator considered that Covea should now deal with the claim as a priority and keep Mr P updated at least weekly.

Covea didn't agree with the investigator's conclusions and the matter has now been referred to me to make a final decision in my role as Ombudsman.

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 note that Covea had accepted Mr P's claim under the terms and conditions of his home insurance policy. The question for me to determine is therefore whether Covea progressed Mr P's claim in a fair and reasonable manner. I don't consider that it did so in all respects, and I'll explain why.

As to the submissions and evidence of the parties, I turn firstly to Mr P's submissions. He said that the pipe had been leaking corrosive water onto the floor of the kitchen for about five years. He said he arranged for a report and a builder's estimate as advised by Covea. Whilst he was arranging this, he said that Covea offered a cash settlement of £1,200 which he rejected, as he didn't know how this figure had been reached. He was then asked to send photographs and measurements to Covea, and by this time, he'd received the builder's repair estimate for £3,800. Mr P was then told that Covea wished to send an inspector to view the damage.

In August 2022, Mr P said that he'd been out of the property for two weeks and that only a half-day's work had been done. Half the kitchen had been removed and half of the asbestos tiles had been taken up. He complained that the family were due to move back to their home as one family member was having a serious medical operation the following week. Mr P had contacted the company who were to remove the asbestos, but they couldn't give him any information as to progress. He didn't know what else he could do to get the work started or to be told the relevant timescales and he was concerned about the additional stress this would cause to the family member under-going treatment.

Mr P referred to other relevant health conditions suffered by family members and said that the builder had advised that there were harmful spores present. Mr P also said that the hallway and kitchen floors were unsafe and that parts had collapsed. He felt that Covea was '*stalling for time*' and that he was being '*fobbed off with a quick solution*'. He was worried that someone might get hurt due to the state of the property and referred to damp and black mould being present. He also said that the family was unable to use the kitchen and that they were having to use a microwave to cook. He considered he'd been '*forgotten about*' and had a feeling that he would still be without a kitchen at Christmas. He also referred to having been stuck in a temporary caravan accommodation for a period when waiting for work to be done. He said that he'd never claimed on home insurance before.

Finally, Mr P thought he'd received a poor service from Covea and that he hadn't received adequate contact, call backs and information. He considered he'd received conflicting and confusing messages in the summer of 2022 regarding asbestos. At the end of October, he'd been told that work would commence towards the end of November 2022. Mr P said he waited in on the given date, but nobody turned up and he added that '*all I seem to be doing is chasing people and being told differently. I have had an email...telling me they are waiting for a cash settlement...I don't understand what this is about as we have had our kitchen stripped out and...we have had the work tops left hanging and are now falling down. I am a little confused as to if we are getting our property repaired or if the company are giving us a pay out and not completing the work....*' In November 2022, Mr P said he'd received a letter stating that his complaint had been resolved, however nothing had changed, that the complaint hadn't been resolved, and it had been 9 months since the start of the claim.

In summary, Mr P considered that Covea had '*dragged their feet*' and used every excuse not to do the work. He said Covea had claimed it couldn't get hold of materials, then said it needed to get a team together and many weeks later, was saying that there was more work needed than expected. He said that Covea hadn't been back to the property since August 2022 when it removed the dehumidifiers. Mr P said that his builder submitted a quote at the beginning of the claim and he considered that the claim would have been all sorted if Covea had accepted the quote: '*I don't understand why it's taken so long and 3 different companies to get to where we are now and still no work has been done. It's frustrating me and upsetting my wife who just wants the house back to how it was.*'

I turn now to what Covea has said about the matter. Once certain requested information had been received from Mr P, it had reviewed the scope of work and initially offered a settlement figure. It said that as Mr P was undecided about this and further information was required,

Covea decided it was best to appoint its own contractors *'to attend the property to inspect and review the extent of the damage and to progress the claim.'* It acknowledged that *'an insurance claims process could at times be frustrating, especially when you have damage to your property which needs to be repaired as soon as possible'* and it apologised for any distress or inconvenience caused by this.

In its final response letter in July 2022, Covea provided details of factors which influenced the claim process. In this case, it said it had to wait for asbestos testing and removal to take place, for drying to be completed and for collection of the policy excess to occur, prior to any work commencing. It said that collection of the excess at the start of the claim was standard procedure and in accordance with the policy terms and conditions. It noted that as a good will gesture and to prevent delays, it was agreed that the policy excess here would be collected at a later stage. Whilst Covea agreed in hindsight that there had been delays, it didn't consider that the investigator's proposed additional award of compensation was proportionate.

Having carefully considered all available written evidence and the submissions of both parties, I'm satisfied that whilst some of the delays in Covea resolving this claim were unavoidable, other delays were unfair and unreasonable. I agree with the investigator that the claim should have been progressed and co-ordinated sooner and the case notes indicate that from April to the end of June, there had been little significant progress.

Some delays can be expected where drying of a property is necessary as in this case, as well as where checking for asbestos becomes necessary. In such cases however, the timelines and any likely delays need to be fully explained to customers. I've noted that Covea's detailed case notes record efforts to remove asbestos tiles, details of drying work and attempts to settle the matter. I don't consider from the available evidence that Covea had clearly or adequately communicated the position to Mr P throughout the claims journey.

In addition, it's clear that a family member was due to have a serious operation, as well as on-going treatment. I consider that the delay, which is now acknowledged by Covea, would inevitably cause additional and unnecessary distress for Mr P and his family. This would have been exacerbated by communication failures. In the circumstances, I consider that £600 in additional compensation would be an appropriate figure to recognise the distress and inconvenience caused by these service failures by Covea during the relevant period.

It appears that the necessary works are still to be completed and it's noted that Mr P has indicated that he wishes to lodge a further complaint in this respect. Nevertheless, a complaint about delays beyond the date of Covea's official response to Mr P's original complaint is outside the scope of the current decision letter. In the circumstances, it's confirmed that this final decision letter deals only with Mr P's original complaint and the initial period of his claim.

My final decision

For the reasons given above, I uphold Mr P's complaint against Covea Insurance plc and require it to pay compensation in the total sum of £600 to Mr P for the distress and inconvenience caused by Covea's service failures.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 10 February 2023.

Claire Jones
Ombudsman