

The complaint

Mr L complains about Covea Insurance plc's ("Covea") delay in handling his car insurance claim which he says led to him having to pay higher premiums.

What happened

The background to this complaint is well known to both parties, so I won't go over it in great detail. However, in summary, Mr L's car was parked outside his home when it was hit by another vehicle which belonged to company A. Mr L says it took Covea two years to settle the claim during which time he had to pay higher premiums, so he complained. Covea responded and explained, when a claim is open, it'll remain as a fault claim until the insurer is able to recover 100% of their costs. They said, once the claim has been settled as non-fault, then the premium is recalculated from that date going forward. They explained the premiums were correct at the time based on a fault claim.

Our investigator looked into things for Mr L. He thought Covea had delayed in progressing the claim and recommended they pay Mr L £150 compensation. Mr L agreed but Covea disagreed so the matter has come to me for a decision.

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.

Having done so, I've decided to uphold the complaint. And, I think the investigator's recommendation here is a fair way to resolve matters.

My role requires me to say how a complaint should be settled quickly and with minimal formality and so I'll focus on what I consider to be the crux of the complaint and the main areas of dispute. Mr L reported the incident to Covea in January 2020 but it wasn't settled until November 2021. I understand Mr L's frustrated at the length of time things took, particularly because the third party vehicle hit his parked and unattended car – so he doesn't feel there should've been any issue with liability.

It's not uncommon or unreasonable for an insurer to treat an incident as fault until they recover their outlay. While I do acknowledge Mr L's points about the accident circumstances and liability, Covea have treated the claim as fault until such time as they were able to identify the third party to recover their outlay – which isn't unreasonable. I've then looked at the steps Covea took and whether they progressed Mr L's claim in a timely manner.

I've looked through the information provided by Covea and this shows, when Mr L first contacted them in January 2020, they didn't have any third party details. They agree with Mr L that he'll try and get CCTV evidence. Mr L then sends this to Covea a few days later but, while this shows Mr L's car being hit by company A's vehicle, there's a note which says company A's vehicle's registration details aren't visible. Mr L then says he'll try and get company A's registration details. Just over a month later, Covea request the police report.

Mr L then calls Covea to say company A have CCTV footage which contains the registration details and they've admitted liability. Covea then call company A in March to ask for the CCTV footage and they explain the request will need to be in writing – which Covea do the same day. In April, Covea complete a form to send to the police for their report. Mr L calls Covea in May and explains he contacted company A, but they didn't provide him with the vehicle's registration. Covea then email company A on 19 May and ask for the vehicle's registration details. Company A reply on 22 May and explain the information Covea are requesting relates to another party's personal data so Covea aren't able to request it under a Subject Access Request ("SAR"). Company A explain, in order to proceed with the request, Covea will need to provide a form of authority signed by Mr L together with a payment of £50 by cheque. Company A explain they can't take steps to source records until payment has been received. Covea then respond on 27 May and explain they're unable to make payments by cheque at present and ask if company A can retain any footage until they're back in the office and able to make the payment by cheque. Company A reply and explain they'll look into Covea's request once they make payment.

Over the next few months Mr L chases for updates and is told Covea are waiting for the police report. Covea receive the police report on 3 December but this doesn't contain details of the third party vehicle. Covea then email Mr L to see whether he's able to get the third party's vehicle registration. Mr L calls Covea on 7 December to say he has spoken with company A but they won't provide him with the details, so Covea send an email to ask for the information. Covea chase company A on 30 December. Company A then provide Mr L with the registration details on 17 January 2021 and Mr L forwards this to Covea the same day. Covea then gather information relating to their outlay and send this to the third party on 2 March. Covea don't get an admission of liability, so they instruct solicitors in May and the claim is settled in November.

Taking this all into account, I think Covea have delayed in progressing the claim. I think they did, initially, take reasonable steps to try to obtain the registration details for company A's vehicle but they didn't get a response – so this was out of their control. But, following their first email in March 2020, I can't see they chased until Mr L called them in May for an update. This prompts Covea to chase and company A then respond to this email. I can see Covea say company A told them they wouldn't provide the third party's details as they're not entitled to them under a SAR. I've seen company A's reply but I don't agree this prevented Covea from taking further steps. This does confirm the nature of the information being requested by Covea can't be made under a SAR, but it does then set out the process Covea need to follow to request this – and Covea acknowledge this by confirming they want the footage but can't yet make payment by cheque.

While I understand Covea say they weren't able to make a payment by cheque as they weren't back in the office, I can't see any further action was taken to get the footage from company A until they chased in December – and this again appears to have been prompted by Mr L chasing for an update and explaining his frustration at the length of time things were taking. It's not clear when Covea returned to their office and were able to send cheques again, but if this wasn't between May to December 2020, then I think they could've let Mr L know about the process and even invited Mr L to pay the fee by cheque and they could've reimbursed him.

I think this would've been reasonable in the circumstances, particularly so, because, while I acknowledge Covea then started chasing the police for their report, the information shows Covea were aware of the police backlog in dealing with these requests. The information shows Covea were told by the police they were dealing with requests in date order and were around 10 months behind – so I think this should've prompted Covea to start communicating with company A again and follow the steps I've described above. Given that Mr L was able to get the required information from company A shortly after Covea started chasing them again, I believe they would've received it much sooner had they used the process I've

described and continued communicating with company A following the exchange of emails in May 2020.

So, I think it's fair and reasonable in the circumstances for Covea to pay Mr L compensation for the delay in progressing his claim. I think, had Covea taken the alternative steps I've suggested, then it's more likely than not, they would've received the vehicle registration details at least a few months earlier and they could've then made a claim for their outlay much sooner. The information shows Mr L was clearly upset and frustrated by the delay and, on at least two occasions, him chasing Covea prompted them to send a chaser. Taking into account the impact on Mr L, I think it's fair and reasonable for Covea to pay Mr L £150.

Putting things right

I've taken the view that Covea have delayed in progressing Mr L's claim. So, Covea should pay Mr L £150 for the upset and frustration caused.

My final decision

My final decision is that I uphold the complaint. Covea Insurance plc must pay Mr L £150 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 23 February 2023.

Paviter Dhaddy
Ombudsman