

The complaint

Miss D has complained about the delay and poor service she received from Covea Insurance plc when she made a claim under home insurance policy.

What happened

In July 2020 Miss D unfortunately had to make a claim under her home insurance policy due to fire damage from a neighbouring property.

In July 2022 Miss D complained to Covea. She had been in alternative accommodation (AA) and been moved several times. She said the roof to her home hadn't been protected and this led to extensive further damage to her home. Due to the length of time that had passed, damage to contents and her home was worse, and so more damage had occurred.

Miss D said she had incurred losses in paying for protection of white goods which were later deemed as beyond economical repair (due to the delays) and additional travel costs due to the location(s) of her AA. Miss D said the experience and the delays caused led to considerable distress and inconvenience for her and impacted negatively on her health.

In September 2022 Covea upheld Miss D's complaint and offered compensation of £1,000 for the distress and inconvenience caused.

Miss D asked us to look at her complaint as she didn't accept Covea's offer. She thought this didn't address her losses or reflect the impact of Covea's poor handling of the claim had on her.

Our Investigator found that Covea had reimbursed Miss D for additional utility costs - and thought the compensation award of £1,000 was reasonable for the distress and inconvenience caused. But he thought Covea should also pay the travel costs Miss D was seeking in relation to the location of the AA - and in light of the fact that Miss D was moved several times and was in AA for far longer than she should have if Covea had provided a better service.

In June 2023 Covea provided information, which the Investigator responded to and said it supported his view that Covea should pay Miss D's claim for additional travel costs. Covea hasn't provided any new information in response.

Miss D said the issues with the claim are ongoing and she remains unhappy with the works that have been done to her home since she moved back in 2022.

Our Investigator has explained that Miss D will need to put any new complaints since July 2022 to Covea.

So the case has been passed to me to decide.

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.

There's no dispute that Covea caused extensive and unnecessary delays in its handling of this claim. Some delays were outside of its control due to access problems to the

neighbouring property in order to carry out repairs. But this didn't account for the overall poor service Miss D received.

Although my findings are summarised, I've read the detailed responses from Miss D. I can see from the timeline of events the number of issues and the impact on her of having to move to different alternative accommodation several times, chase for responses and updates, the upset and worry at having to check her home and find further damage due to the delays as her home and her contents deteriorated during this time. This led to further works being needed and therefore further delays and inconvenience for her.

Covea has reimbursed Miss D for the additional costs she paid for utility while in AA. I understand Covea says that additional travel costs while Miss D was in AA are costs it isn't responsible for. But from the information available I think Miss D raised concerns about the limited options available to her for AA, and the fact that she was in AA for considerably longer than anticipated, and moved several times.

So I think a fair outcome is for Covea to pay Miss D £181.45 and - in line with the Investigator's recommendation - pay interest on this sum from the date the claim closed to the date of payment, applying our preferred rate.

The awards which we give for distress and inconvenience are modest. In this case, there has clearly been a significant delay in the repairs, outside of the delay caused in accessing the neighbour's property. Covea accepts that its service fell short here. It is reasonable to expect disruption and upheaval for claims like this - where fire or water damage is significant. But I think Covea's handling of the claim caused Miss D distress and inconvenience over and above what would be considered reasonable.

Covea's offer of compensation of £1,000 is I think a reasonable sum and in line with awards we give for similar circumstances.

So, with the additional sum of £181.45, I think this is enough to resolve Miss D's complaint up to July 2022.

If Miss D has new concerns since July 2022, she can raise these with Covea - and if she is unhappy with the response, she can ask us to look at any new complaints.

My final decision

My final decision is that I uphold this complaint. I require Covea Insurance plc to do the following:

- If it hasn't already done so, pay Miss D £1,000 compensation it offered for the distress and inconvenience caused.
- Pay Miss D £181.45 to reflect the additional travel costs incurred while in AA.
- Pay interest on the £181.45 from the date the claim was closed and Miss D moved back home to the date it pays at a rate of 8% simple interest a year.

Covea Insurance plc must pay the compensation within 28 days of the date on which we tell it Miss D 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 a simple rate of 8% a year.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D to accept or reject my decision before 1 September 2023.

Geraldine Newbold
Ombudsman