

The complaint

Mr S complains about Covea Insurance plc's delays and poor handling of his subsidence claim under his landlord property insurance policy.

Any reference to Covea in this final decision includes its respective agents unless specified otherwise.

What happened

The background of this complaint is known in detail to the parties involved, so I've summarised what I've found to be the key points.

- In August 2022, Mr S made a subsidence claim on his landlord property insurance. In September 2022 Covea's appointed contractors attended Mr S's property to report on the damage. Mr S says he spent several months chasing Covea for the report outcome and only received this after raising a formal complaint in November 2022.
- Covea upheld the complaint and offered Mr S compensation which he accepted. Covea accepted Mr S's subsidence claim and Mr S says he was told by Covea that mitigation and repair works would take place between January and May 2023.
- Mr S says the works didn't go ahead as planned and instead he spent more time continually chasing Covea for an update receiving very little or no response. Mr S therefore raised another complaint with Covea in April 2023 regarding the poor communication and lack of claim progress since he last complained to it.
- Covea accepted its communication had been poor and that it had failed to progress the claim as quickly as it should have. It offered £75 compensation to Mr S.
- Unhappy with this, Mr S complained to this service. He wanted Covea to ensure the works went ahead promptly and to increase the compensation, given the impact he says the unresolved subsidence would have on his mortgage and the upset caused.
- Our Investigator said that as certain complaint points, such as the impact on mortgage payments and ongoing issues with the claim hadn't yet been raised or responded to by Covea, they couldn't be considered under this complaint but could be raised and potentially looked into separately on Mr S's request.
- In relation to what he could look at, our Investigator told Mr S he would only be considering the compensation offered by Covea for its delays and poor communication during the time period covered by the second final response letter it issued to him (January to May 2023).
- In doing so, he concluded the compensation Covea offered for this period should be increased from £75 to £200 to fairly recognise the distress and inconvenience caused to Mr S during that time. And that it should progress the claim in a timely manner going forward.
- Mr S accepted our Investigator's findings, but Covea didn't respond. The case has therefore been passed to me for a final 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.

- It's not in dispute between the parties, that during the period that's been considered in this case (January to May 2023), Covea failed to progress Mr S's claim in as timely a manner as it should have. Its communication was also poor, resulting in Mr S having to spend notable amounts of time chasing Covea for responses and a resolution to his claim.
- I understand that certain specialist reports were required to progress the claim and Covea say that delays in obtaining these have affected the overall progress made.
- Arguably, subsidence claims can be a lengthier process by nature. But in this case, I'm persuaded from what I've seen, that Covea's actions have added to this, causing Mr S a level of unnecessary upset, inconvenience and delay.
- Covea's last update to this Service about the timeline of Mr S's claim is that it was liaising with the relevant parties to get it back on track. Covea is required to handle claims promptly and fairly and it must therefore progress Mr S's claim in a reasonable and timely manner going forward.
- Based on the information I have, and without further comment from Covea that persuades me otherwise, I agree with our Investigator that in relation to the period in question, the £75 already offered by Covea doesn't fairly reflect the impact of its poor communication and delays in this case.
- From what I've seen, Covea led Mr S to believe works would take place during an agreed period and it seems this never transpired, with little to no communication as to why or when this would likely happen. And by Covea's own admission, the claim has moved slower than it should have.
- With all that in mind, I'm satisfied that it's fair to increase the compensation from £75 to £200 in total for the time period I can consider in this case as set out above. Covea should therefore pay this amount to Mr S if it hasn't done so already.

My final decision

For the reasons set out above my final decision is that I uphold this complaint. Covea Insurance plc must pay Mr S a total of £200* compensation for the distress and inconvenience caused in this case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 13 December 2023.

**Covea Insurance plc must pay the compensation within 28 days of the date on which we tell it Mr S accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.*

Rosie Osuji
Ombudsman