

The complaint

Mrs T's complaint is about a claim she made on her Covea Insurance plc home insurance policy for accidental damage to her Rolex watch.

Mrs T wants Covea to pay for the total repair costs of the watch.

What happened

Mrs T damaged her watch during a fall. She took the watch to a repairer who said it could only be repaired by Rolex. When the watch was reviewed, Mrs T was told that they couldn't repair the watch without replacing the bracelet, which had deteriorated due to wear and tear.

Mrs T asked Covea to cover her claim for repairs. Covea reviewed the position and said they'd pay for the aspect of repair that related to the accidental damage but not to replace the bracelet itself as this wasn't covered by the policy. In the alternative they offered to cash settle the cost of the repair to the watch, excluding the cost of the bracelet. Unhappy, Mrs T brought her complaint to the Financial Ombudsman Service.

Our investigator considered Mrs T's complaint and said it should be upheld. She said it was fair for Covea to cover all of the costs of repair including the replacement bracelet as Rolex had said this was a mandatory part of the repair and therefore an incidental cost that should be paid by them. Covea didn't agree. They said the cost of replacing the bracelet was excluded by the policy, so they shouldn't need to pick up this cost. Because of this the matter was passed to me to determine. I issued a provisional decision earlier this month in which I said the following:

"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 won't be upholding Mrs T's complaint. I'll explain why.

The starting point is the policy terms. They cover accidental damage in certain circumstances. Accidental damage is defined in the policy as:

"Sudden, unexpected damage where the cause can be determined. Accidental damage doesn't include damage caused by wear and tear or anything else that happens over time".

Mrs T's watch is around thirty years old. She accepts that the bracelet on her watch wasn't damaged by the fall she suffered. Rather it's affected by natural wear and tear. She also doesn't necessarily want the bracelet to be repaired. This is a requirement Rolex have placed on their repairing the watch including the damage done as a result of the fall Mrs T suffered. It's unfortunate that Rolex have taken the position they have in this case. From a call recording I listened to between Covea and Mrs T, I understand from Covea that this is a common position Rolex take in relation to repair of their watches, especially when the bracelet on a watch is older. Whilst that leaves Mrs T in a difficult position, I don't think it means that Covea are obliged to cover the entire costs of the repair.

The policy doesn't extend to covering damage caused by wear and tear or anything else that happens over time. So Covea's liability is only to cover the damage that occurred as a result of the accidental damage. In this case I can see that Covea offered to pay for the damage to the watch that happened as a result of Mrs T's fall or cash settle this aspect. That's in line with what I'd expect them to do.

For clarity, I don't agree with the investigator's findings that just because Rolex has made the repair to the strap mandatory, this means it's incidental to the claim and that Covea should cover it. Covea's terms are clear on this issue. I don't think they misled Mrs T about this and having listened to the call they had with her about the claim, I'm satisfied they explained the position on cover clearly. I know Mrs T found this disappointing and that her financial circumstances might not extend to her paying towards the repair of the watch and I appreciate the sentimental value of it to her. But as I've explained above, I don't think it was unreasonable for Covea to take the position they did.

If Mrs T wishes to accept a cash settlement of her claim instead of Covea paying the aspect of the repair that relates to the accidental damage, then she can contact them about this directly."

I asked both parties to provide me with any more comments and evidence in response to my provisional findings. Covea have accepted my provisional decision but Mrs T has not. She's made a number of additional submissions which I've considered below.

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 remain of the view that Mrs T's complaint isn't one I'll be upholding.

Mrs T has made the point that her watch has now been repaired is being held by the repairer until she makes payment. As a result, she says she can't now accept a cash settlement for her claim, and she also can't have her watch returned to her unless she pays for the cost of repair to the bracelet. I appreciate the situation Mrs T finds herself in is less than ideal, but that doesn't mean that Covea need to cover the cost of the entire repair to her watch. From the call recording I've heard between Mrs T and Covea, Covea made it clear to her that they wouldn't cover the entire claim before the watch was repaired. They said they would only cover the cost of the accidental damage caused to the watch and not the repair to the bracelet. In the alternative they said they would cash settle for the cost of the repair to the watch excluding the bracelet. In response to this Mrs T said she wanted to pursue a complaint.

I asked Covea why the watch was repaired by the repairers they appointed. They supplied an email from the repairer confirming that Mrs T had given them authority for the work to go ahead and that she'd pay for the bracelet herself. I haven't seen anything from Mrs T that suggests the repair itself going ahead came as any surprise to her but if she doesn't agree with what the repairer has said about the authority, she gave then that is a matter between her and them and not something I think Covea are responsible for. I have also seen an email from Covea to the repairer which says they've spoken to Mrs T and she advised that she had already spoken to the repairer and advised the watch had to be repaired and that they are arranging this. So I think this supports what the repairer has said in this case and that it's most likely that the repair went ahead because Mrs T authorised this herself. As such I can't hold Covea responsible for this.

For the reasons I set out in my provisional decision, Covea aren't obliged to cover the

entirety of the work unless they've been able to satisfy themselves that the problems that have arisen were as a direct result of the accidental damage claimed for. And in this case, I haven't seen anything at all that supports that the bracelet was damaged as a result of Mrs T's fall. Mrs T has now said that she cannot know for certain that the bracelet to her watch was not damaged in the fall. She says she didn't really consider the matter after the watch stopped working so it may well have been damaged in the fall. She also says she wants someone independent to look at the original bracelet to decide whether the damage to it was caused by wear and tear and not damage as a result of the fall. I don't think that's necessary. The evidence Mrs T gave in this complaint was, up to the point of my provisional decision, consistent that the bracelet wasn't damaged during her fall. And the evidence from the repairer and indeed Rolex was that the issues with the bracelet were down to wear and tear as a result of its age and not consistent with damage from a fall. It's up to Mrs T to prove an insured incident has occurred. And given her consistent account up to the point of my provisional decision (including what she said to Covea during her phone call with them) that there were no issues with the bracelet and that she didn't want it replaced because of this, I'm not persuaded that she's established there's a claim here for anything more than wear and tear. As I've said, it's unfortunate that Rolex have taken the view that the bracelet also needs to be replaced but that's not something Covea have any control over- rather it seems to be Rolex' own policy in relation to watches that are over a particular age. If Mrs T is unhappy with this, she should take it up with Rolex or the repairer directly. But it's not something I think Covea are responsible for.

I know Mrs T's watch has immense sentimental value to her and I'm sorry to hear about her personal circumstances. But for the reasons I've mentioned, I don't think Covea need to do anything else.

My final decision

For the reasons set out above and in my provisional decision of February 2024, I don't uphold Mrs T's complaint against Covea Insurance plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 27 March 2024.

Lale Hussein-Venn
Ombudsman