

The complaint

Ms G, Mr K and Ms M complain that Covea Insurance plc has unfairly handled a claim made for subsidence damage to their property.

What happened

The complaint has been brought in joint names, but Ms G has taken the lead on the complaint and for ease of reference, I'll refer to her only throughout my decision.

The insured property is a small block of flats and in May 2022, Covea was notified of an issue with cracking to both the internal and external walls of the property.

Covea accepted the damage was an insured peril and it treated the claim as a subsidence claim. It said this happened because of a damaged drain and it completed the repairs to the drain before being able to consider the remedial work to the property itself.

On 25 May 2023, Covea provided a final response to Ms C's concerns about the handling of the claim and paid £150 to Ms G in recognition of delays with communication from its agents dealing with the claim.

A further complaint was raised in November 2023 about the progress of the claim and a second final response was sent to Ms G in January 2024. This upheld the complaint and a further £250 was awarded to recognise the avoidable delays with the claim handling.

In April 2024, Ms G complained to Covea about the progress of the repairs to the property again. She said there had been multiple delays with its appointed contractors organising a schedule of works (SOW) for the property and at this point, it had been 22 months of waiting for the repairs to be completed.

SOW that had been received had been rejected as Ms G felt not all of the property and repairs had been included as needed and she had concerns that the proposed works were not going to provide an effective and lasting repair to the property. Ms G brought her complaint to this Service in July 2024 after not receiving a response to her most recent complaint.

In September 2024, Covea issued a further final response and said it didn't think there had been any avoidable delays added to this point.

Our investigator looked at this complaint and said he could only consider the delays after the final response had been issued in May 2023, through until the date of the final response issued in September 2024. They couldn't consider the delays prior to this and whether the compensation paid was fair, because the complaint had not been brought to us within six months of the date of the final response.

They didn't think Covea had demonstrated that the SOW proposed was providing an effective and lasting repair. They felt Ms G had shown her concerns to be valid and in the first instance, they recommended that Covea review the SOW to consider the repair

methods recommended by Ms G's appointed contractors.

If the claim was to be settled with a cash settlement, they said it would be fair for this to be at the cost of the repair for Ms G to have the works completed and not at the cost that Covea said it would cost it to complete the works. They felt this was a fair and reasonable approach as Ms G had not been unreasonable in waiting as she had for Covea to provide an effective and lasting solution. In the absence of this, sourcing a contractor to complete this herself was reasonable.

They felt the delays with the handling of the claim had clearly caused Ms G distress and upset and it was fair that Covea reflected this. They didn't think the award previously made for £250 was fair and they recommended this to be increased to £800, with Covea needing to pay an additional £550 now.

Covea agreed to review the SOW and provide an updated one to Ms G to consider. But it didn't confirm if it was going to increase the award for distress and inconvenience.

Covea said this would be done with a "Helifix" solution being incorporated into it which is inline with the work Ms G feels is needed. It felt it should provide the SOW to this Service for us to consider whether it meets the expectation of the investigator before moving forward. Our investigator highlighted this is not our role and he expected Covea to work with Ms G to provide this and we would not be prescriptive beyond what he had said – that it needed to demonstrate the repair it was proposing was offering a lasting and effective repair.

Ms G responded to say she felt the award for distress and inconvenience was not sufficient based on the impact of this claim and its delays. She challenged why we were not able to consider the claim as a whole when it had been ongoing since May 2022. And she highlighted why it was important that an effective and lasting repair solution was provided.

Our investigator clarified why we couldn't consider the events prior to the final response issued in May 2023 because the complaint had not been brought in time to consider this. They set out why they believed the compensation they recommended was fair and reasonable and that they agreed an effective and lasting repair being provided was needed and this was inline with their recommendation.

Since the view was issued on this complaint, Ms G has had an independent survey which sets out the opinion of a structural engineer on the cause of damage to the property and repair works needed. This has been provided to Covea for its opinion and a subsequent complaint has been raised about delays to its response.

Because both Covea and Ms G did not agree with our investigators assessment, this complaint was referred for 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.

I've decided to uphold this complaint, for much the same reasons as our investigator. I appreciate this may not be the answer either side is hoping for, but I'll explain why this is the case.

As our investigator has said, I am only considering what has happened with the handling of this claim from 25 May 2023, through until September 2024. I appreciate with the claim ongoing and issues still being evident, this doesn't provide the finality that I, or either side

would like. But I can only consider what has been complained about and considered by Covea.

This means that Ms G may need to bring her complaint back to this Service if she is unhappy with the response provided by Covea to the concerns she has now and the ongoing complaint points. This will include the comments and action taken by Covea in response to the survey Ms G has provided, that was completed in February 2025.

The crux of this complaint is centred around the impact of the delays with the handling of the claim and whether Covea has made a fair claim decision with the recommendations made to put things right.

I don't think there can be any dispute that delays have been added to this claim. And while some of this has resulted from Ms G not accepting the SOW provided, I don't think she has been unreasonable in the actions taken and the questions asked.

Ms G has asked Covea and its appointed contractors to confirm how, the SOW provided will provide an effective and lasting repair for the damage caused as a result of subsidence. This is a fair expectation and something Ms G is entitled to understand. She has provided quotations for repairs which highlighted additional work is required to achieve this and Covea hasn't been able to show why, the SOW it provided without this, are still going to provide the effective and lasting repair.

Covea has now said that it will review what it previously set out as needing to be completed and issue a new SOW and I think this is the right thing to do. It is not the role of this Service to tell an insurer what it should include within the SOW and to do so would be placing us into the role of the claim handler. So, I am not going to make any direction beyond what our investigator said. Covea needs to review the information Ms G has provided and produce a SOW and demonstrate why this will provide a lasting and effective repair for the damage outstanding at the property which has been caused as a result of the subsidence.

With the ongoing nature of this claim, I don't think it is right that I make any other comments on the claim decision. To do so at this point would be hypothetical and with the ongoing complaint which has been raised since this complaint has been with us, any issue with the SOW when it is produced and the next steps to bring finality to this claim are best dealt with at that point. This includes whether, if offered as a means to settle the claim, how the amount of a cash settlement is calculated.

What I can consider with this complaint is the impact of the claim delays on Ms G. She has explained how she has been living in what feels like a building site for almost two years while waiting for the works to be completed. She has had a large number of interactions with Covea which go beyond what is reasonable to expect. And even with a claim of this nature where the expected inconvenience and time frame will always likely be significant, this has gone beyond this.

Covea recognised there had been delays when it issued its response in January 2024 but I agree with our investigator that £250 falls somewhat short of what is fair and reasonable and inline with this Services award.

From May 2023 through until September 2024 when Covea provided the last final response relevant to this complaint, the claim hasn't seen any real progress. SOW have been incomplete due to errors with the appointed loss adjuster used by Covea and this has added to the ongoing distress and inconvenience of the matter. This continues now for Ms G almost 8 months on from the last final response and this subsequent distress will need to be considered with the claim decision and the new complaint raised here.

But for the delays prior to this between May 2023 and September 2024, I think it is fair that Covea increase the award it has paid. Our investigator has said they feel £800 in total for this period is fair.

I appreciate Ms G feels this is not enough and she has been living for a longtime now in what feels like a building site. But I do need to draw the distinction for this award to the time it is being made for. Here, there will have always been some natural delays with the time for the claim to be settled and not everything can be said to be avoidable. But as I said previously, clearly delays have been added. For this I am satisfied an award of £800 in total is fair and reasonable and in line with our awards.

The payment is to Ms G only, as although a joint complaint, the distress and inconvenience set out has been set out by Ms G and the impact of the claim handling. So no award is made to the other joint complainants on this complaint.

Putting things right

Covea will need to do the following now to put things right:

Provide an updated schedule of works which demonstrates it is providing a lasting and effective repair for the damage caused as a result of the subsidence.

Pay Ms G £800 in total for the distress and inconvenience added through the handling of this claim. If it has paid the £250 previously awarded, it now need only pay the remaining £550.

My final decision

For the reasons I've set out above, I uphold Ms G, Mr K and Ms M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms G, Mr K and Ms M to accept or reject my decision before 26 May 2025.

Thomas Brissenden
Ombudsman