

## **The complaint**

Mr and Mrs K complain about the settlement provided by Covea Insurance plc ("Covea") following a claim they made on their home insurance policy after their home was broken into.

## **What happened**

Mr and Mrs K have home insurance with Covea. Unfortunately, in November 2022, their home was burgled, with many items taken. So, they made a claim on their home insurance policy.

Mr and Mrs K made a number of complaints about Covea's handling of the claim. The issues raised prior to Covea's final response letter of 25 July 2023 have already been considered by our service.

Mr and Mrs K were offered around £47,000 in settlement of the claim. They say £38,000 was the jewellery limit. But Covea hadn't settled £7,000 Special Occasions Cover. So, Mr and Mrs K raised this with Covea who said the matter would be referred to a technical lead for review.

Subsequently Covea authorised a payment of £25,000 for the contents valuable items but didn't include the specified contents or special occasions cover. The total settlement came to approximately £32,000 including the interest, and less the excess and policy premium. Mr and Mrs K disputed the settlement value but agreed to a non-binding interim payment; which was paid in November 2024.

Mr and Mrs K complained to Covea regarding the settlement – they said they were owed £13,000 for two high value items, special occasion cover of £7,000, plus interest on the two payments.

Covea said it considered the claim and settled up to the valuables limit of £25,000. It said the two items individually valued at £8,000 and £5,000 are not covered in addition to £25,000, but as part of that sum.

Mr and Mrs K didn't agree. They want Covea to settle £13,000 for the high value items, pay the special occasion cover for £7,000, and pay interest on those amounts. They want Covea to settle the claim in a timely manner. So, the complaint was referred to this service.

One of our investigators looked into things for them. He concluded Covea acted fairly and in line with the terms of the policy in settlement of the claim. He said the special occasion cover of £7,000 was for extra contents rather than an increase on the valuables limit. The investigator also concluded the limit for personal money was £500 as per the terms of the settlement. And so, he didn't think Covea had acted unfairly in settling the claim the way it did.

Mr and Mrs K didn't agree so the complaint has come 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.

I empathise with the situation Mr and Mrs K are in. They have clearly taken steps to ensure their contents were adequately insured and now find themselves not covered for some of their valuable items. Mr and Mrs K feel very strongly that Covea has treated them unfairly.

Having considered all the evidence, I do however agree with the investigator's view and do not uphold this complaint. I know this isn't the answer they wanted so I'll explain my decision below.

### Settlement

Covea have a responsibility to handle claims promptly and fairly. And it shouldn't reject a claim unreasonably. I've thought about whether Covea acted in line with this. The policy says, "*The most the insurer will pay is shown on your policy schedule*". So, I checked what the policy schedule says. The schedule confirms the following limits;

"Sum insured	£75,0000
Contents valuable total limit	£25,000
Contents valuable single article limit (unspecified)	£2,000."

Valuable items are defined as – *jewellery (including costume jewellery), articles of or containing gold, silver, or any other precious metals, cameras (including video cameras, camcorders, and digital cameras), binoculars, watches, furs, painting and other works of art and collections of stamps, cons, medals, and clocks.*

Covea settled the claim for valuables at the limit of £25,000. Mr and Mrs K specified two items valued above £2,000; which totalled £13,000. Mr and Mrs K want Covea to settle for those items. But the terms of the policy say the total valuables payable under the terms is £25,000. And I don't think I can fairly as Covea to pay more than the limit since Mr and Mrs K are not entitled to anything more under the terms of the policy.

The policy Mr and Mrs K paid for provides cover for £25,000 for valuables. Mr and Mrs K claimed an additional £13,000 for specified valuable items, but they aren't covered for an additional amount under the terms of the policy. The two specified items are not separate to the overall content valuables limit of £25,000.

### Special occasion cover

Mr and Mrs K say their policy gives them special occasion cover and since the family were having a celebration at the time of the theft, this should be paid as part of the settlement– so they wanted the gifts from the celebration to be added to the settlement.

I've checked the policy to see what it says about special occasion cover. The policy says;

"*The insurer will increase **the contents sum insured** by the amount shown in the policy schedule.*"

The special occasion cover only applies to the overall contents sum insured section of the policy, and not the valuable items total limit. Since Mr and Mrs K have been paid the limit for valuables, they aren't entitled to anything more under this section of the policy.

Mr and Mrs K had cash stolen from their property during the burglary. Covea have included £500 for this in its settlement, and I think that's fair as that's what Mr and Mrs K are entitled to under the terms of the policy.

Given this, I am unable to say Covea acted unfairly or outside the terms of the policy when assessing Mr and Mrs K's claim.

#### *Covea's conduct*

Mr and Mrs K say that they have reviewed and answered everything with utmost care and want an objective and fair conclusion to their claim. They say Covea haven't treated them fairly or followed the rules that govern them. The previous decision dealt with Covea's handling of the claim and its conduct, so that isn't something I can make a finding on. My decision is looking at the settlement of the claim and I have found Covea has acted fairly and reasonably in considering the claim.

#### *Previous decision*

In response to the investigator's view Mr and Mrs K raised concerns with the customer journey when taking out the policy – but this has been decided by a previous decision. Since all decisions are final I'm not able to consider it here.

Mr and Mrs K have previously referred a complaint about the claim to this service. The complaint was upheld and directed Covea to assess the claim in line with the policy terms. No direction was given on whether the claim should be paid or how much the claim should be settled for. Covea assessed the claim in line with the policy terms and offered a fair settlement based on what Mr and Mrs K are entitled to. So, it follows that I'm not upholding this decision.

I want to reassure Mr and Mrs K that I've read and considered everything they have sent in, but if I haven't mentioned a particular point or piece of evidence, it isn't because I haven't seen or thought about it. It's just that I don't feel I need to reference it to explain my decision. This isn't intended as a discourtesy and reflects the informal nature of our service.

#### **My final decision**

For the reasons explained above I don't uphold Mr and Mrs K's complaint about Covea Insurance plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K and Mr K to accept or reject my decision before 11 April 2025.

Kiran Clair  
**Ombudsman**