

DRN-5614547



The complaint

Mr R has complained about the way Covea Insurance plc is dealing with a claim he made for an escape of water (EOW) under his home insurance policy which he shares with Ms D.

As Mr R is the lead complainant, I will refer to him on his and Ms D's behalf in my decision.

All reference to the insurer in my decision include its agents dealing with the claim acting on Covea's behalf.

What happened

Mr R reported a leak from a downstairs bathroom to his insurer Covea in October 2023. After providing the requested documents to Covea, it declined his claim and said the damage wasn't caused by a one off incident. After Mr R complained, Covea reviewed the documents he had provided and overturned its decision, so it said it would consider the claim. Covea appointed a Loss Adjuster (LA) to deal with the claim on its behalf.

In June 2024 Mr R complained to Covea. He was unhappy with the delays it had caused, and the lack of progress in repairs to the bathroom. Mr R was unhappy that Covea said he was responsible for arranging plumbing repairs before the LA could continue with the incident related works, And he didn't agree with Covea's decision not to cover any costs for damage to rear rendering which Mr R says are incident related.

In August 2024 Covea upheld Mr R's complaint in part. It accepted it had caused delays. It said it was difficult to say how much the EOW contributed to rear render damage, and how much might have been caused by other unrelated issues. So to resolve Mr R's complaint, Covea said it would cover 50% of the costs to repair the rear rendering and paid Mr R £100 compensation for the distress and inconvenience caused by its poor handling of the claim.

Covea said Mr R was responsible for arranging repairs to faulty plumbing works that it said wasn't incident related – before its LA could continue with incident related repairs.

Mr R remained unhappy and asked us to look at his complaint. He said there is no evidence to show that the existing plumbing is faulty, just that it is old. So Mr R believes any update to the plumbing - to enable incident related works to continue - should be covered under his claim. In any event, he says even if he agreed to cover the plumbing works, Covea's contractor has told Mr R it wouldn't carry out the works privately.

Mr R says the compensation of £100 is an insult. He has spent hundreds of hours of his time chasing Covea on his claim. He and his partner both work and have three young children.

Being without the downstairs bathroom since October 2023 and having to deal with contractors and Covea has caused significant distress and inconvenience.

One of our Investigators recommended Covea increase the compensation it pays to a total of £250. He agreed with Covea's offer to contribute towards 50% of the cost to repair the render damage. He agreed that as the plumbing works were faulty, it wasn't covered under the EOW claim, so these were costs Mr R would need to pay for privately. The Investigator thought Covea and its contractors had agreed to carry out such works.

Mr R didn't agree. He says Covea's contractors have told him they won't carry out the plumbing works privately, even if he agreed to pay for them, which he doesn't. He has provided an updated report from his original contractors to support his claim.

Covea accepted the Investigator's recommendations. Mr R didn't agree.

I issued a provisional decision on 22 May 2025 and intended to uphold it. I intended to ask Covea to deal with the claim and pay Mr R £750 compensation for the distress and inconvenience caused.

I haven't received any comments from either party since issuing my provisional decision. So the case has been passed back 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.

My provisional findings

There's no dispute that Covea has caused avoidable delays and poor service in its handling of this claim. I think Covea's initial decision to reject the claim was unreasonable. It seems the first set of drying was inadequate as it didn't properly take into account the severity of the damage. Mr R was told he wasn't covered for storage of contents while the bathroom was being repaired, but this was incorrect. I can see Mr R had to regularly chase Covea for updates on his claim.

Covea says Mr R is responsible for paying privately for plumbing repairs to the bathroom before incident related works can be done by its approved contractors.

I haven't seen any persuasive evidence to show me that the plumbing is defective or faulty, only that it is old. This is different – and not a reason for an insurer to fail to deal with a claim.

From the most recent independent report provided by Mr R's contractor, who inspected the property, the plumbing seems to have been installed correctly at the time, but doesn't meet current standards. And I find the report provided by Mr R's contractor more persuasive than the report provided by Covea's LA, who relied on photos. I am sharing this report with Covea so that it can provide a response to my provisional decision.

Covea isn't able to say how much of the damage to the rendering has been caused by the EOW claim. So it has agreed to cover 50% of the repair costs. Mr R says his water bill for the previous six months show usage of 120,000 litres of water. I think it is most likely the damage was caused by the EOW and I cannot see that Covea can evidence other causes in order to say some of the damage is due to wear and tear. So I think a fair outcome is for Covea to meet the claim for plumbing and rendering in full under the EOW claim.

I think Covea has caused Mr R and his family considerable distress and inconvenience over a prolonged period of time. Due to the impasse, repairs still have not been done and Mr R and his family have been without use of the downstairs bathroom since October 2023, along with associated damage to the outside rear rendering.

I think Covea should pay £750 compensation in addition to the £100 it has already paid. I think this is in line with awards we give in similar cases. If Mr R has had to pay for independent estimates, I think Covea should reimburse him subject to reasonable proof of payment.

Covea says its appointed contractor could carry out the plumbing works for Mr R. If not, Mr R should arrange these works separately. Mr R says this isn't what he has been told. I can see from Covea's notes that it asked the LA this question, but I cannot see a response to confirm it would carry out associated repairs.

In any event, I think Covea should arrange for a contractor to complete the works as a matter of urgency and in full as part of the EOW claim. If Covea's appointed contractor is unable to provide this for Mr R, it will need to pay Mr R an equivalent cash settlement for all the works, subject to two detailed independent estimates including the plumbing and rendering works, provided by Mr R.

As I haven't received anything to change my provisional findings, my final decision is the same and the actions I recommended are set out below.

My final decision

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

following:

- Promptly arrange for Mr R's EOW claim to be completed, including plumbing and rendering repair costs in full.
- If Covea's contractor is unable to complete the works, subject to two estimates, provide Mr R with a cash settlement equivalent to the lower estimate to allow him to arrange for works to be completed.
- Pay Mr R £750 compensation for the distress and inconvenience caused in addition to the £100 it's already paid.
- If Mr R is subject to costs to provide independent estimates or previous reports, Covea should reimburse Mr R with interest at our preferred rate, set out below.

This is subject to proof of payment by Mr R.

Covea Insurance plc must pay the compensation within 28 days of the date on which we tell it Mr R and Ms R accept 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.

If Covea Insurance plc considers that it's required by HM Revenue & Customs to withhold income tax from that interest, it should tell Mr R how much it's taken off. It should also give Mr R a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms D and Mr R to accept or reject my decision before 9 July 2025.

Geraldine Newbold
Ombudsman