

The complaint

Mr and Mrs C are unhappy with the delays they experienced when Covea Insurance plc ("Covea") was putting right the damage they experienced following a devastating water leak in their home. Covea were providing a home insurance policy.

What happened

Mr and Mrs C made a claim when flooding from a water leak caused extensive damage to their home. The damage was widespread and required Mr and Mrs C to move into alternative accommodation.

Mr and Mrs C have highlighted a series of errors by Covea's appointed loss adjuster who managed the claim on its behalf. These issues have led to delays in the progression of the claim and have resulted in the claim taking well over a year from the time the claim was reported to all the repairs being projected to be completed.

Covea upheld the complaint and offered £1,000 in compensation. It said it took nine months for it to be in position to commence reinstatement after the damage, which Covea said was excessive and there were significant delays in the process. It said the communication from its loss adjuster was poor and led to a lot of chasing by Mr and Mrs C. It recognised the difficult circumstances faced at the time, which made Mr and Mrs C vulnerable.

Mr and Mrs C feels the compensation offer is derisory and wants it increased. It also wants a full report on what went wrong.

Our investigator decided not to uphold the complaint. Whilst she empathised with Mr and Mrs C, she felt the compensation was fair in the circumstances of the complaint. Mr and Mrs C disagreed, so the case has been referred to an ombudsman.

My provisional decision

I made a provisional decision on 10 June 2025. I said:

Mr and Mrs C has asked Covea for *"a full report outlining the situation, explaining the cause, and who is accountable for the delays. With a full explanation of what is to be done to ensure this situation is not repeated in the future, e.g. what Continuing Professional Development is to be put into place and how communication will be managed in future"*.

Whilst I appreciate Mr and Mrs C's sentiment here and consider continuous learning within an organisation to be good practice, I wouldn't expect Covea to share its plans for future learning and process change with a policyholder. It's not our service's role either to recommend on what processes a business uses. Covea has carried out an investigation of the complaint, and whilst brief it has shared its findings with Mr and Mrs C and offered them compensation. I wouldn't expect it to provide any further reports. Therefore, I won't consider this point any further.

However, I see Covea has acknowledged its failures. Mr and Mrs C aren't satisfied with the level of compensation offered. This is an area I can consider, and this will be the focus of my

decision.

As I said previously, Covea's final response was brief. I think it could've justified its position in more detail. However, it simply said its claims process took too long and the communication by its appointed loss adjuster wasn't reasonable.

Mr and Mrs C have provided a detailed analysis of what went wrong, this was shared with the loss adjuster, and included:

1. Poor communication and co-ordination with the contractors, resulting in dryers being installed in the premises prior to the water damaged and still soggy items being removed. Such as the soaked insulation. Delaying the effective drying of the property and effectively drying items that would obviously be disposed of. This also caused further costs due to damp causing damage to salvageable items.
2. Misinformation being given to contractors, e.g. a site meeting being arranged by e-mail, the date for which was in the past.
3. Failing to go to full tender in February as requested by the insurers.
4. Failing to check with contractors as to the position of the premises. Asbestos removed in a timely fashion, whether the property was fully dry, whether loft insulation has been appropriately removed and not stored in a mainly unaffected room etc.
5. Inconsistencies with the contractors, e.g. giving [one contractor] the impression that they would have the whole contract, evidenced by the extent that [the contractor] had gone to in preparation, including contacting their go to kitchen supplier to draw up plans, including a site visit in early May, where irreplaceable items were salvaged to assist the re-installation. (Subsequently disposed of due to lack of confirmation from the loss adjuster)
6. Delay in the tender process, tenders were sent out in July (despite this being requested by Covea in February), even though the house had been dry for some while.
7. Attempts by us to chase matters often resulting in an out of office reply indicating a return date post a site visit, a short while in the future, when a reply would be forthcoming. This rarely happened. This has meant that we have had to seek assistance either directly from the insurers, building companies involved or even more senior figures at the loss adjusters. Ultimately this has meant we have felt isolated and alone, despite the empathy that is supposed to underpin your company. (We understand that staff require leave, but their absence should not be a delaying factor as it should be managed).

I think it is clear there has been a major failure in the management of this claim. In such dire circumstances, faced with such adversity when their home failed, Mr and Mrs C would've expected Covea and its representatives to help and support them in their time of need. It seems the opposite has happened and despite many attempts to escalate their issues, further delays occurred on the reinstatement of their property which led them to having to live at an alternative address for longer than necessary.

In normal circumstances, this would be a huge inconvenience and stress. Unfortunately, in Mr and Mrs C's circumstances the impact was far greater due to their personal circumstances. Whilst, I see Covea has acknowledged Mr and Mrs C's vulnerability, I'm not

convinced this has been reflected in how Covea has managed the claim or the increased distress they would've experienced.

For reasons of confidentiality, I don't want to share the details of the circumstances involved, but simply, they would've felt far better living in their own home. Mr and Mrs C have shared a detailed description of how this has impacted them and their family. They've shared this information with the loss adjuster. I don't think the compensation is sufficient for what has gone wrong, for how long the delays have lasted and the impact it has on very vulnerable circumstances. Therefore, I intend to uphold this complaint.

I think Covea's mistakes have caused sustained distress, and it has added to the vulnerable circumstances that already existed, making them worse. There has been severe disruption to daily life lasting many months, with the claim not been resolved over one year after the claim was first made. Covea offered £1,000 in compensation, but for the reasons I've set out I intend that Covea pay £2,500 for the distress and inconvenience caused (an increase of £1,500).

Responses to my provisional decision

Mr and Mrs C accepted my provisional decision, and they didn't have any new information to provide in relation to the complaint.

Covea agreed with my provisional decision and it didn't have anything further to add.

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.

Given both parties have accepted my decision and haven't provided any new information, I won't change my decision.

My final decision

My final decision is that I uphold this complaint. I require Covea Insurance plc pay Mr and Mrs C:

- £1,500* compensation – for distress and inconvenience (it should also pay the £1,000 offered if it hasn't already).

*Covea must pay the compensation within 28 days of the date on which we tell it Mr and Mrs C 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.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs C to accept or reject my decision before 23 July 2025.

Pete Averill
Ombudsman