

The complaint

Mr L has complained that Covea Insurance plc (“Covea”) didn’t fairly deal with a claim he made under his car insurance policy.

What happened

Mr L’s vehicle was involved in an accident in 2023. He was unhappy with how Covea dealt with his claim, and raised a number of concerns, including that the process took too long, that the settlement was incorrect, and that Mr L was caused financial loss.

Covea sent Mr L its final response on 14 November 2024. That complaint was dealt with by an Ombudsman at this service in March 2025. Mr L then raised a separate complaint about further delays, which Covea upheld, acknowledging the delays it had caused – including a delay of six weeks when it hadn’t made the progress it could’ve during that time. It offered Mr L £150 compensation.

Mr L didn’t accept Covea’s response to his complaint or the compensation it had offered. He said Covea had failed to deal with his claim professionally and not compensated him for his losses. So he referred his complaint to this service.

Our Investigator considered the complaint, but thought Covea had done enough to compensate Mr L for the poor service he’d received.

Mr L didn’t agree with our Investigator, so the complaint has now 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.

As this is an informal service, I’m not going to respond here to every point raised or comment on every piece of evidence Mr L and Covea have provided. Instead, I’ve focused on those I consider to be central to the issues in dispute. But I would like to reassure both parties that I have considered everything submitted. And having done so, I’m not upholding this complaint. I’ll explain why.

The insurance industry regulator, the Financial Conduct Authority (FCA), has set out rules and guidance about how insurers should handle claims. These are contained in the ‘Insurance: Conduct of Business Sourcebook’ (ICOBS). ICOBS 8.1 says an insurer must handle claims promptly and fairly; provide reasonable guidance to help a policyholder make a claim and give appropriate information on its progress; and not unreasonably reject a claim. It should also settle claims promptly once settlement terms are agreed. I’ve kept this in mind while considering this complaint together with what I consider to be fair and reasonable in all the circumstances.

I’m satisfied from what I’ve seen that Covea didn’t always do what it should’ve done. There were periods of time, such as from mid-November until January when Covea could’ve been

chasing the finance company for the letter of no interest, but didn't.

I've considered the other issues Mr L has raised and should clarify I can only look at events from the date of the previous final response letter, dated 14 November 2024 until the date of the next final response letter, dated 19 March 2025. So I can only consider a period of four months here.

During this time, Mr L says he had to chase Covea for updates and that the policy said he'd only need to make one phone call, which he felt was misleading. I've checked the policy terms and can't see that these say only one phone call will be needed. Mr L has quoted a document which he says said *"Need to make a claim? Make one phone call, leave the rest to us"*. Even if that statement was included in documentation he received, I don't think it constitutes a promise that he'd never need to speak to Covea again about the claim. It's not unusual that for the purposes of an insurance claim, more than one phone conversation would be needed between the insurer and the policyholder, and I don't find that unreasonable.

Mr L has mentioned his health and the Equality Act, and I can understand why he feels Covea hasn't treated him fairly as a vulnerable person who has mental health conditions. He's faced considerable difficulties during the course of this claim, some of which were brought about by Covea's actions and some of which were due to the accident and claim itself. I'm not satisfied Covea has taken into account his specific vulnerabilities when dealing with the claim, in particular when it caused delays in contacting the finance company so things could be moved along for Mr L. This meant that when Covea received a letter from solicitors acting for Mr L's finance company, saying that following payment from Covea the finance company wouldn't have an interest in the vehicle, it didn't act quickly enough to correct this error.

On receipt of this letter, Covea should've contacted the solicitors to clarify it wouldn't be paying the outstanding balance off, and would only be paying it the vehicle's value. It didn't do this and Mr L had to call Covea in January 2025 to explain that the finance hadn't been paid. After this call, Covea contacted the solicitors but a payment wasn't made to solicitors until February 2025. I'm persuaded that the delays caused Mr L added suffering.

But I think Covea has offered a reasonable level of compensation in the circumstances. Its final response letter dated 19 March 2025 acknowledges the delays that occurred and Covea has apologised for them and offered Mr L £150 compensation. I think this is a fair amount because it reflects that Mr L was impacted by Covea's actions for a period of several weeks when the claim wasn't progressing, and that Covea's errors caused Mr L distress and inconvenience.

Mr L has said he feels severely let down by his insurer, and that the gravity of the situation hasn't been grasped by anyone. But I have to have consideration for the fact that much of Mr L's concerns have been dealt with under a previous complaint, such as his concerns about the valuation and settlement figure, and those aren't matters I can revisit as an Ombudsman has made a decision about that complaint. And whilst I've carefully considered everything Mr L has said about how badly he's been let down, I've also weighed this up against what I can see from the claim timeline. And whilst there were delays, I'm not persuaded that Covea didn't do anything for several months as Mr L has suggested, or that the compensation offered for those delays isn't reasonable.

Mr L has raised wider concerns around the insurance industry – but as he'll be aware, my role is to consider individual complaints and not concerns about the industry as a whole. So I'll not be able to comment on those concerns. I appreciate that Mr L feels extremely upset about the whole situation, and I have a great deal of empathy for him in the circumstances,

but in this particular case, I think Covea has done enough to compensate him for its errors.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 8 October 2025.

Ifrah Malik
Ombudsman