

The complaint

U complains Covea Insurance Plc unfairly declined a claim it made for an escape of water on a property insured by Covea.

U is being represented in bringing this complaint by one of its directors, Ms W. For ease, I've referred to her, rather than U, in this decision.

What happened

In December 2022 Ms W made a claim on her Covea insurance policy for damaged caused by an escape of water.

Covea declined the claim, it said it thought the leak, from a waste pipe that wasn't connected, had been ongoing before the inception of the policy in 2017 and so wasn't covered. Ms W complained to Covea about its decision to decline the claim. Covea responded to that complaint with a final response letter (FRL) in August 2023. Ms W didn't refer that complaint to the Financial Ombudsman Service in time for us to consider it.

In February 2024 Ms W provided further information for Covea to consider, which were statements from a surveyor and the contractor who installed a new boiler when the claim was made. However, Covea didn't respond and so a further complaint was made, which Covea answered in August 2024. It acknowledged it hadn't assessed her further information and said it would do so. It also offered some compensation to apologise for not responding to her. Ms W referred that complaint to this Service and our Investigator recommended an additional compensation award. But he was satisfied that considering the evidence was a fair way to resolve Ms W's concerns.

However, in December 2024, Ms W said she hadn't heard further from Covea, so a further complaint was made. A further FRL was issued in January 2025. Covea said it has reviewed the further evidence, but that it had asked Ms W for some photographs and videos which hadn't been provided. As such it said it would still decline the claim.

Ms W asked this Service to consider matters. She said she didn't have the information Covea was requesting. She said she'd already provided everything she had to Covea.

Our Investigator thought Covea had acted unreasonably. He said asking Ms W for further evidence after the repairs had been completed was unreasonable. He was satisfied, based on the information provided in February 2024, that the leak had most likely occurred after the insurance with Covea started. As such, he recommended Covea accept the claim and reimburse Ms W for the insured damage she'd had repaired. He also recommended Covea pay a further £450 for the distress and inconvenience it caused Ms W by not contacting her for a number of months following the resolution of the previous complaint.

Covea didn't respond to our Investigator's recommendation. As such, the matter has come to me to decide.

As the complaint about the original claim decline wasn't referred to this Service in time, it follows that I can't review Ms W's concerns about that decline. However, I can look at Ms W's complaint that her further evidence, provided after that original claim decline, hasn't been considered. And her complaint that Covea's further decline of the claim is unfair.

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.

Having done so, I agree with the outcome reached by that of our Investigator. As such, given Covea didn't provide a response to our Investigator, my reasoning below will be brief.

It is accepted that there was an escape of water at the property, however the dispute is whether the leak happened before the policy was incepted, or not. Covea thinks it most likely did, given that Ms W replaced a boiler, which had experienced issues, in early 2017, before the policy was incepted. It said it thought the issues with the boiler might have been caused by holes in the pipes, and these issues then persisted after the boiler was replaced in 2017, until Ms W replaced the boiler again in 2022 and the leaking pipe was found and repaired.

To dispute this Ms W provided a statement from the plumber who installed the boiler in 2022. His view was that when installing the new boiler in 2022, there was no sign of visible rot to indicate a leak had been present for an extended period of time. Ms W also provided a statement from the surveyor who'd carried out a damp survey for her in 2021, when she first became concerned about damp in the property. The statement from the surveyor said that in 2021 no visible signs of moisture were detected on the walls or the floor. He concluded that had a historic plumbing leak resulted in pooling in the sub-floor, he'd have expected to detect significantly higher moisture levels.

I know Covea has instructed a forensic investigator, H. H accepted that the statement from Ms W's surveyor indicated that the leak had happened whilst the Covea policy was in force, but it said it hadn't seen the damp report Ms W had carried out in 2021, as such it would need to review that first.

Ms W says this survey was provided to Covea previously; it doesn't seem to have passed that on to its expert. But even if Covea doesn't have that report, I'm most persuaded by the comments of the plumber who installed the boiler in 2022 and the statement of Ms W's surveyor that there was no evidence of moisture in 2021. As such, I'm satisfied – and in the absence of any further comments from Covea – that is it most likely the leak happened whilst Covea was on cover. As such, I think a fair and reasonable outcome to the complaint is that it should meet the claim.

Ms W has already paid for the necessary repair works. I understand there was also some non-claim related work needed to her property. However, from her comments to Covea, I'm satisfied that Ms W was aware she'd need to itemise her works to determine those repairs necessary to rectify the damage caused by the leak. As such, Covea should settle Ms W's costs for the claim related damage.

And since Ms W has been unfairly without those funds, it should add 8% simple interest onto the amount from the date the works were paid for, until the date of settlement.

I also consider Covea should pay Ms W an additional £450 compensation for the unnecessary inconvenience it caused in its handling of the claim. It had internally decided to maintain its decline of the claim in August 2024, but it didn't communicate this with Ms W until January 2025, when a further complaint was made. I'm satisfied this has caused considerable inconvenience that warrants such an award.

My final decision

My final decision is that I uphold this complaint. I direct Covea Insurance Plc to:

- Accept the claim for an escape of water under the policy.
- Reimburse U what it paid for the claim-related repairs.

- To the amount of reimburses, it will need to add 8% simple interest per annum* from the date the repairs were paid for, until the date of settlement.
- Pay U £450 in compensation.

* HM Revenue & Customs may require Covea to take off tax from this interest. If asked, it must give U a certificate showing how much tax it's taken off.

Under the rules of the Financial Ombudsman Service, I'm required to ask U to accept or reject my decision before 22 October 2025.

Michelle Henderson
Ombudsman