

## The complaint

Ms B complains about the way Covea Insurance plc ('Covea') handled a subsidence claim she made on her property insurance policy.

## What happened

Ms B owns a residential property which was insured with Covea. She contacted them in March 2021 to report her concerns about cracking at the rear extension of her property which she thought might be caused by subsidence. Covea instructed an inspection of the property to assess the cause of the damage.

The inspection concluded the damage wasn't caused by subsidence or any other insured peril and identified some historic damage and construction defects. They said the claim would be declined as the damage pre-dated the inception of the policy cover, and Ms B then went on to complete non-insured repairs herself. However, in May 2023, Ms B noticed further cracking at her property, and she reported this to Covea who carried out further inspections. Following additional assessment, Covea accepted the claim in November 2023 and confirmed there was damage caused by subsidence.

As part of the claim, Covea appointed arboriculture experts to inspect the vegetation at Ms B's property who recommended vegetation at the boundary of Ms B's property be removed. The arboriculture report understood the vegetation to be on neighbouring land belonging to Ms B's local water provider. Covea said they contacted the water provider to progress the recommended mitigation works.

During 2024, progress of the claim was delayed while Covea sought clarification over who was responsible for removing the vegetation. And Ms B then raised concerns over a lack of visible progress in the claim and the worsening condition of her property as she had noticed new cracking. Covea said temporary repairs could be arranged but said they were still waiting for a response from Ms B's water provider in respect of removing the vegetation. Ms B remained dissatisfied with Covea's handling of the claim and raised a complaint in August 2024. She felt Covea should have made the subsidence diagnosis earlier and said there were delays and examples of poor communication which had caused her distress and inconvenience.

Covea considered the complaint and issued a final response in October 2024 upholding it in part. Covea said they had been reasonable to rely on their expert's conclusions in 2021 when declining the claim, however they accepted there had been some avoidable delays and poor communication during the later handling of the claim and offered Ms B £300 compensation for any distress and inconvenience caused. Ms B remained unhappy with Covea's response to her complaint – so, she brought it to this Service.

An Investigator looked at what had happened but didn't recommend that the complaint should be upheld. They said they were satisfied Covea had acted fairly when declining the claim in 2021, which was based on the available expert evidence at the time. The Investigator also said that, while there had been some delays and poor communication which would have caused some avoidable distress and inconvenience, they felt that the

£300 compensation Covea had offered was fair in the circumstances and didn't recommend Covea needed to anything further.

Ms B didn't agree with the Investigator's outcome and asked for an Ombudsman to consider the complaint – so, it's been passed 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.

Having done so, I've reached the same overall conclusion as the Investigator, and I do not uphold this complaint.

The background details of this complaint are well known to both parties, so I haven't repeated them in detail here. This isn't meant as a discourtesy, it simply reflects the informal nature of this Service. So, while I may not comment on each and every point made, I have taken it all into account when deciding what I consider to be fair and reasonable.

I also need to explain what period I will be considering as part of my decision. While I appreciate Ms B has continued to experience some issues as part of this claim, as the Investigator has already set out, we are only able to consider events up until Covea issued their final response in October 2024. My decision therefore focuses on whether Covea acted fairly when they declined the claim in 2021, and how they've handled the claim since then.

In 2021, Covea declined to cover the claim and relied on their expert's report which concluded the damage to the property Ms B had reported wasn't caused by subsidence. Instead, the report concluded there was historic cracking and a construction defect at the junction of the rear extension, including the absence of a cavity tray. The report also said the damage pre-dated the inception of the policy.

I've considered the available evidence carefully, and I'm ultimately satisfied it was reasonable for Covea to rely on the expert report that was provided at the time. The expert was suitably qualified, and I think their report was sufficiently detailed with explanations of how they'd reached their conclusions. The fact that subsidence was later identified in 2023 doesn't mean Covea acted unfairly in 2021 when they declined the earlier claim. Subsidence can develop gradually, and I haven't seen any persuasive evidence that demonstrates the report's conclusions were unreasonable or that Covea should have reached a different view, based on the information available to them in 2021.

In relation to how Covea handled the claim once subsidence was identified, I've considered the relevant claim history. I think it's fair to say that subsidence claims are often very complex and time-consuming, especially so when investigations are required and third parties are involved. Here, Covea understood that the vegetation their expert identified needed to be removed was on land owned by the local water company.

However, I do agree there were instances where Covea's handling fell below the standard I'd expect to see. I don't intend to make an extended finding on this point, because Covea already accepted this in their final response to the complaint. But as an example, I can see there were avoidable delays in establishing the cause of damage during the later stages of the claim, and there were periods of poor communication. I accept that Covea couldn't control the actions of third parties involved in the claim, such as the water company, but I do think they could have done more to manage the claim and Ms B's expectations during this time. And that means I think it's appropriate to award a sum of compensation. I can see

Covea already offered a total of £300, which the Investigator felt was fair in the circumstances. So, I need to decide whether that's enough compensation to put things right.

In terms of making a compensation award, it's important for me to highlight that this Service doesn't punish or fine businesses. A compensation award is intended to reflect the impact a business's actions had on their customer. So, I've considered Ms B's testimony about how she says this claim affected him. I haven't detailed everything here, but I've considered everything she's submitted. I was sorry to hear about the impact the claim had on her financial plans, and I can understand why she would have been so frustrated dealing with the claim when it was initially declined. But overall, I think the total compensation award of £300 is fair and reasonable and is in line with the level of compensation appropriate to these issues. And I am satisfied the award of compensation Covea has offered produces a fair and reasonable outcome to this complaint. That means I will not be directing them to increase it.

I appreciate this has been a difficult experience for Ms B, and I don't underestimate the frustration she's felt in dealing with the claim. But my role is to decide whether Covea acted fairly, and if not, whether they have done enough to account for any errors they made, based on the available evidence. For the reasons I have explained, I'm satisfied that they did.

### **My final decision**

For the reasons I have set out above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 26 February 2026.

Stephen Howard  
**Ombudsman**