

The complaint

Mr W and Mrs W complain about the way Covea Insurance plc ('Covea') handled a claim they made on their property insurance policy.

What happened

The details of the claim are well known to both parties, so I won't repeat them again here. Instead, I'll summarise the background and focus on the reasons for my decision.

Mr and Mrs W held an insurance policy underwritten by Covea that covered a tenanted property they own. They reported a claim to Covea in February 2022 after noticing cracking in their conservatory. Covea accepted and investigated the claim and concluded that subsidence was the likely cause of the damage. They felt that nearby vegetation owned by the local council could be the cause. On that basis, monitoring and further investigation works were carried out. Mr and Mrs W said they disagreed with Covea's assessment of the cause of damage throughout the claim and they also raised a number of complaints about delays and communication failings. Covea issued final responses in June 2022, May 2023, and July 2023, each of which addressed aspects of Mr and Mrs W's complaints and offered compensation.

By late 2023, following continued disagreement about the cause of the damage, Covea agreed to appoint an independent engineer to review Mr and Mrs W's property. That inspection was completed in September 2023, and the engineer concluded that there was no evidence that the damage that had been claimed for was caused by subsidence or structural movement. Following receipt of the independent report, Mr and Mrs W raised a further complaint to Covea in October 2023. That complaint focused on the time Mr and Mrs W said had been wasted and inconvenience they had experienced, particularly in light of the independent report confirming that the damage was not due to subsidence.

Covea investigated the complaint and discussed their position with Mr W over the phone in November 2023. They said they were willing to pay the compensation they had previously offered in May 2023, and to cover certain costs associated with investigative works. But Covea did not agree to pay anything further and Mr W said that they did not issue a final written response to that specific complaint. Mr and Mrs W remained unhappy with Covea's response to their complaint and issued court proceedings in respect of the repair-related matters. Mr and Mrs W said that claim did result in Covea paying for repair related elements of the claim but said that issues relating to any time wasted and inconvenience caused were not something the court would deal with. On that basis, Mr and Mrs W brought the complaint to this Service in January 2025.

Covea initially felt the complaint was outside our jurisdiction because Mr and Mrs W had not brought the complaint within six months of their response. An Investigator looked at what had happened and initially issued a jurisdiction view of the complaint and explained that, because Covea had not issued a written final response to the complaint raised following the independent review in October 2023, the six-month time limit had not been triggered. On that basis, the Investigator felt that this Service could consider Mr and Mrs W's complaint about any inconvenience caused following the independent review of the claim.

The Investigator then considered the merits of the complaint and ultimately concluded that Covea had not handed matters fairly after the independent report was issued in September 2023; and felt that compensation for distress and inconvenience should be paid of £750.

In response to the Investigator's view, Mr and Mrs W said that they felt the proposed compensation didn't adequately reflect the time, effort and distress they had experienced. They said their persistence in dealing with the claim ultimately prevented unnecessary major repair works and saved Covea significant costs. Finally, while Mr and Mrs W acknowledged that punitive awards aren't something this Service made, they felt that £750 was unrepresentative of the impact caused to them and believed a high reward would more fairly recognise the inconvenience and frustration they experienced. Covea didn't provide anything further in response and maintained that Mr and Mrs W hadn't been affected by subsidence.

As the complaint is yet to be resolved, 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 outcome as the Investigator for broadly the same reasons, and I uphold this complaint.

I first want to acknowledge that I have summarised Mr and Mrs W's complaint in a lot less detail than they have presented it. No discourtesy is meant by this, and I want to assure them that I have read and considered everything submitted in its entirety. However, as an informal dispute resolution service, my role is to focus on the main issues of a complaint in order to reach a fair and reasonable outcome overall.

As such, I should also set out what I am able to consider as part of this complaint. As the Investigator has previously explained, this Service is only able to consider Mr and Mrs W's complaint about the impact to them following the independent report issued in September 2023 and their subsequent complaint in October 2023. This is because Covea issued final responses prior to this date that Mr and Mrs W did not bring to this Service, and that means I can't make any findings about how the claim was handled before that point, or award compensation for earlier events. I'm also not considering the insured loss itself, any repair costs, changes to premiums or excesses, or matters that have been determined via Mr and Mrs W's court proceedings. As such, my decision will be limited to whether Covea's handling of matters after the independent review caused them avoidable distress or inconvenience and if so, what compensation would be fair and reasonable to award.

The independent review in September 2023 ultimately concluded that the damage Mr and Mrs W had claimed for hadn't been caused by subsidence. Following that report, they raised a complaint to Covea about the time wasted and inconvenience they said they had experienced. Covea ultimately discussed the outcome of that complaint with Mr W by phone in November 2023 and said they would be willing to raise the compensation they previously offered in May 2023.

As I set out previously, I can't consider how Covea handled the claim before the independent review in September 2023. But I can outline previous events in order to provide context as to what the impact would have been following what was clearly a lengthy and complex claim. Ultimately, I think that Covea's failure to issue a clear resolution and resolve the complaint following the independent review would have had a greater impact on Mr and Mrs W than it otherwise might have done. It appears their concerns were raised early on, and it wasn't until September 2023 that a specialist report confirmed there was no subsidence. As such, I'm

persuaded that this would have caused Mr and Mrs W additional avoidable frustration and inconvenience. And that means I'm satisfied it's fair and reasonable for me to make an award of compensation to reflect the impact Covea's actions had.

In respect of awarding compensation, it's important for me to highlight that a compensation award isn't intended to fine or punish a business, it's to recognise the impact the business' actions have had on their customer in a particular complaint. So, I've thought about how Mr and Mrs W were impacted and what I think is a fair sum to put things right. I can see that the Investigator recommended a sum of £750. Covea haven't provided any submissions to dispute that the claim caused Mr and Mrs W inconvenience, nor have they suggested that the level of compensation is unfair. However, Mr and Mrs W maintain that the Investigator's recommended compensation isn't enough to recognise the impact Covea's actions had on them when dealing with the claim.

I've weighed up the testimony provided by Mr and Mrs W, the available evidence, and the length of time the process took overall following the specialist report. I can appreciate that the independent report concluding there was no subsidence would have been frustrating and had Covea taken steps to acknowledge the additional frustration and inconvenience caused, the additional actions Mr and Mrs W took, and the additional time this would have taken, likely could have been avoided. As such, having taken everything together, I'm satisfied directing Covea to pay a total compensation award of £750 is a fair and reasonable conclusion to recognise the distress and inconvenience they caused.

I appreciate this may not be the level of compensation Mr and Mrs W had hoped for, and it may not ultimately change matters for them, given the larger concerns over the claim process itself and how Covea handled things. But in terms of the period I can consider, I find that a total award of £750 is in line with the level of compensation appropriate to these issues, and I'm satisfied this produces a fair and reasonable outcome in this particular complaint.

My final decision

For the reasons I have set out above, my final decision is that I uphold this complaint. I direct Covea Insurance plc to pay £750 compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W and Mrs W to accept or reject my decision before 20 January 2026.

Stephen Howard

Ombudsman