

## The complaint

Mrs K and Mr K complain about Covea Insurance plc's decision to decline a claim made under their property insurance policy.

## What happened

The background to this complaint is well known to both parties, so I'll provide only a brief background summary and decision here, concentrating on the key issues.

Mrs K and Mr K have an insurance policy underwritten by Covea, which covers a property they own and rent out. They made a claim in December 2024, having discovered cracking in the exterior walls of the property and a sunken pathway outside it.

At the time, they provided an expert report from a structural engineer. This noted "*clear indicative signs*" of "*recent structurally significant movement*" to the property.

In short, Covea declined the claim. They said the cause of the movement had been identified as lateral pressure at the base of the walls and foundations as a result of a build up of water. This being due to a blocked drain or gully in the road outside the property.

Covea said damage caused by hydrostatic lateral pressure wasn't an insured peril in the policy terms. They noted that accidental damage was covered but with an exclusion for damage caused by structural movement.

Mrs K and Mr K complained to Covea. And then brought the complaint to us after Covea maintained their stance on the claim.

Our investigator looked into it and didn't think Covea had done anything wrong.

Mrs K and Mr K disagreed and asked for a final decision from an ombudsman.

## 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.

The terms of the policy aren't in dispute. And they're relatively clear. Covea set out, in those terms, the events (or perils) they're intending to cover.

Covea are perfectly entitled to do that. It's standard industry practice. And customers can make choices, when purchasing policies, based on the cover that's being offered.

The important point being that there are few (if any) available policies which will cover every conceivable thing that might go wrong. And any such policies would be very expensive – and certainly in a different price range to the policy offered by Covea and bought by Mrs K and Mr K.

The policy covers a fairly standard range of perils, including for example fire, storm, flood, and

subsidence.

The expert reports in this case – primarily the one provided by Mrs K and Mr K's own engineer – reasonably firmly conclude that the issues with the property are caused by a build-up of water outside and at the base of the house, resulting from blocked drainage in the street outside.

Mrs K and Mr K's expert says:

*"... given the proximity of the road gully together with the sunken highway path... it is our considered opinion that a likely cause of the damage may stem from the build-up of storm water, which... has caused an increased lateral surcharge to be applied to the external basement walls."*

This opinion is confirmed by Covea's own experts.

All the experts agree then that the issue is the lateral pressure placed on the foot of the wall by the build-up of water resulting from the compromised drainage in the public street outside the property.

And that cause is not an insured peril, as defined in the policy terms.

It isn't subsidence, as suggested by Mrs K and Mr K's broker. It's not the case that the ground under the wall has subsided and can't support the weight of the wall anymore.

It might be regarded as accidental damage (something happening unexpectedly and suddenly), which is an insured peril. But the policy contains a specific exclusion relating to accidental damage, which says there's no cover for damage caused by structural movement. And there's no dispute here that the damage in this case is caused by structural movement.

I'm aware that Mrs K and Mr K asked their expert to look again at the case, in light of new evidence. He certainly confirmed that the damage was now significantly worse than when he'd carried out his inspection.

But, contrary to Mrs K and Mr K's reading of what he said, he noted the new evidence that the drain (in the street) was now significantly compromised, leading to *"a significant increase in the lateral forces / pressures applied to the basement wall"*.

In short, the expert is now aware specifically of the blockage of the (public) drain and the increasing severity of the resulting escape of water, but he's maintaining his position that the damage to the property is caused by the lateral pressure brought to bear by the water.

I have every sympathy for the position Mrs K and Mr K find themselves in. It would appear from the expert evidence that serious damage is being caused to their property through no fault of their own and as a result of issues with the public drainage in the street.

It may be that Mrs K and Mr K can pursue the matter through the authority responsible for the drainage outside their property. It's not for me to advise on that – Mrs K and Mr K would need to seek their own legal advice.

However, none of that is relevant to the decision I'm making here. And I'm satisfied that, on the basis of the expert evidence currently available, it's not unfair or unreasonable for Covea to decline this claim, bearing in mind the terms of the policy. Bluntly, there is no insured peril here and so, no cover for the damage to the property.

I should say that if Mrs K and Mr K were to obtain further expert opinion, I'd expect Covea to consider this and determine whether it changes their stance on the claim. But, as things stand, I can't reasonably conclude that Covea have done anything wrong in deciding to decline the claim.

### **My final decision**

For the reasons set out above, I don't uphold Mrs K and Mr K's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K and Mr K to accept or reject my decision before 19 March 2026.

Neil Marshall  
**Ombudsman**