

## **The complaint**

Mr and Mrs C have complained about the way Covea Insurance plc has dealt with claims made under their buildings insurance policy.

Reference to Covea includes its agents and representatives. And reference to Mrs C includes Mr C.

## **What happened**

The circumstances of this complaint aren't in dispute, so I'll summarise the main points:

- Mrs C got in touch with Covea about damage to her driveway – and possible damage to the drainage system nearby. Covea found a problem with an underground drainage pipe, which it repaired, and later paid for the driveway to be repaired.
- Mrs C employed a drainage company. They found a number of other problems with her underground pipes. Covea paid for the report and further repairs.
- Mrs C also got in touch with Covea about water damage in her bathroom. Covea inspected the bathroom and declined the claim. It said the leak under the bath hadn't caused damage. And any damage in the bathroom was caused by wear and tear.
- Unhappy with how Covea had handled these claims, Mrs C complained. She said Covea's drainage investigation and bathroom inspections had been inadequate. She said the second drainage investigation had shown a defect in a pipe near the bathroom. She thought Covea should have checked whether that had caused a leak and damage. She also thought it should have checked whether there was a leak behind the shower tiles.
- Covea issued three separate complaint responses. Overall, it maintained its position.
- Our investigator thought Covea had acted unfairly. She said it should pay to check whether there was a leak in the shower and whether the leak beneath the floor had caused damage. She also thought Covea should pay a further £500 compensation.
- Mrs C seemed to agree with our investigator. But Covea didn't respond, so the matter has been passed to me.

## **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.

- It's important to start by setting out the scope of this complaint. As well as the problems noted above, I understand there has also been a fire – which has caused significant damage to Mrs C's home. As our investigator has explained, we haven't considered the fire claim within this case, as it didn't form part of her original

complaints to Covea. But she's entitled to make a new, separate complaint about the fire claim if she wishes. As a result, I won't comment on the fire claim at all.

### *Drainage and driveway*

- Covea sent a drainage company, A, to investigate the drainage system. I think that was, in principle, a reasonable first step for Covea to look into the claim. But Covea has accepted it didn't explain the process to Mrs C as clearly as it should have done and offered her £50 compensation as a result.
- A carried out a CCTV survey and found one defect – which it repaired.
- Mrs C later turned to a different drainage company, D, to investigate the drainage system. D noted the repair A had carried out and didn't suggest there was a problem with it. D also noted a number of other defects. These were to parts of the drainage system that A hadn't surveyed. When A reviewed D's report, it agreed with the defects and associated repairs D had identified.
- Covea paid Mrs C the cost of D's report and its quote to carry out the drainage work.
- Mrs C provided a quote for having the driveway repaired. Covea accepted this and has paid Mrs C the full cost of the quote.
- Overall, this means Covea has paid to have all the drainage defects put right – whether through A or D. It's also paid Mrs C the cost of D's report and the cost to put right the driveway damage. So I'm satisfied it's covered all aspects of the drainage and driveway claims. That only leaves its claim handling to consider.
- The key issue is whether A's survey should have identified the problems that D's did. Covea said it asked A to "assess the damage in general", not an isolated part. Whereas A said it had been asked by Covea to assess the area of drainage immediately near the cracked driveway only.
- Ultimately, Covea appointed A, so it's responsible for A. And Covea expected the wider drainage system to be surveyed by A – but it didn't do so. And, had it done so, it would likely have found and repaired all the drainage defects. That would have meant all repairs would have been carried out sooner, without Mrs C having to turn to D, and without her having to deal with Covea as much. So I think it's clear that the way Covea handled this claim caused Mrs C avoidable distress and inconvenience.

### *Bathroom*

- I understand there are, or may be, a number of different leaks in or around the bathroom. And it's possible any one or more might have caused or contributed to damage. But it's also possible that none of the damage was caused by any leak(s).
- The policy covers damage caused by water damage as a result of leaking pipes or other water installations. It also covers up to £5,000 for locating the source of the water damage. That includes reinstatement of surfaces removed in order to locate and/or repair the leaking pipe(s). But it doesn't cover the cost of the pipe repair.
- Covea sent a surveyor to inspect the bathroom. I think that was, in principle, a reasonable first step to consider the claim.

- The surveyor noted Mrs C had already had a pipe repaired, seemingly under the bath. They observed a water leak but said they thought it would dry out without causing damage. I haven't seen any professional opinion to challenge this. So, based on what's available to me, I'm satisfied that was a reasonable position to take.
- Mrs C said she'd employed a plumber, who thought there was a leak from a pipe behind the shower tiles. The surveyor questioned how likely this was, I think because they considered the damage was the result of general wear and tear. But they didn't check whether there was a leak in that area, so it's unknown whether there was one. Whilst there seems to be no dispute D found drainage defects within and near the bathroom, the possibility that this may have caused or contributed to any of the bathroom problems doesn't seem to have been considered by Covea. So there remains uncertainty because all relevant points haven't been explored by Covea.
- The photos show water damage in the bathroom. But that doesn't necessarily mean the damage was from a leak – it could equally be due to wear and tear. Mrs C has provided quotes to repair the bathroom, but neither give any comment on the cause of damage. I haven't seen any other professional opinions about the cause of damage. That means the possibility of damage from a leak remains.
- So at this stage I don't think it was fair for Covea to decline the water damage claim outright – but nor would it be fair to make Covea accept it either. The fair remedy is for it to consider the claim further, subject to the terms and conditions of the policy.
- The next steps are for Covea to consider whether there is a leak within the shower. And, if there is, whether it's caused any damage. And to consider whether any of the drainage defects caused any damage. It should also consider any costs Mrs C incurred when the leak under the bath was accessed. Then, bearing in mind the cover for leaking pipes and trace and access noted above, to let Mrs C know the claim position. To do this, it's likely Covea will need to arrange, or pay Mrs C to arrange, for further investigations by the appropriate professionals.
- Covea accepted there had been some poor service and delays during this claim and offered £50 compensation. I think it acknowledged it could have been clearer about the process and progressed matters more quickly. And, based on what I've found above, it didn't fully consider the claim. That's left matters outstanding for much longer than they should have been. All of this has increased Mrs C's distress and inconvenience over and above that necessary when dealing with this claim.

### *Compensation*

- In both claims I found Covea caused avoidable distress and inconvenience. It's offered a total of £100. Our investigator didn't think that went far enough to fairly compensate Mrs C and asked Covea to pay a further £500 – making £600 in total.
- Neither party challenged this suggestion, so I don't think it's in dispute. Nonetheless, I consider it a fair amount of compensation in this particular case. Covea is, and has been throughout, aware of the circumstances Mrs C and her family are in. As a result, I think it would have been reasonable to ensure the claims process was smooth, straightforward and sympathetic. It often wasn't, and that clearly had a considerable impact on Mrs C.
- As a result, Covea should pay a total of £600 compensation. If it's already paid any of the amounts previously offered, they can be deducted.

## **My final decision**

I uphold this complaint.

I require Covea Insurance plc to:

- Consider the bathroom claim, as set out above.
- Pay a total of £600 compensation\*.

\*Covea must pay the award within 28 days of the date on which we tell it Mr and Mrs C accept my final decision. If it pays later than this, it must also pay interest on the award from the deadline date for settlement to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C and Mr C to accept or reject my decision before 12 August 2024.

James Neville  
**Ombudsman**