

## **The complaint**

Mr K complains that Covea Insurance plc unfairly handled a claim on his motor insurance policy.

Part of this complaint concerns the actions of agents for which Covea is responsible. Any reference to Covea includes its agents.

## **What happened**

Mr K held a motor insurance policy with Covea. In September 2023, he was involved in an accident and made a claim on his policy. He told Covea that there were some personal items in his car and Covea reassured him that the car would be searched, and any personal items would be returned to him.

Mr K's car was deemed a total loss and Covea offered to settle the claim. Mr K didn't think the amount Covea offered was fair, and he later accepted a higher offer. However, he was unhappy that Covea didn't include an amount for the tow bar that was fitted to his car. He was also unhappy that Covea didn't arrange a hire car up to the point his car was written off, which he says caused him to feel pressured into buying another car more quickly. And he also complained that Covea had failed to return his personal items.

Covea responded to Mr K's complaints. It said the tow bar was an accessory added to his vehicle by choice and wasn't covered under his policy. It also said that because his vehicle was a total loss, his policy didn't entitle him to a hire car and, in any event, this would be the responsibility of the hire company. Finally, it said it had completed a full sweep of the car and didn't find any personal items. But Covea admitted that it didn't chase its agent when it should have done, so it paid Mr K £25 to apologise for this.

Mr K didn't think Covea's responses were fair, so he referred the matter to the Financial Ombudsman.

Our investigator looked into the complaint and thought it should be upheld. He thought Covea should pay Mr K the value of the tow bar, plus interest, and £100 compensation for it not being included in the first place. He also thought Covea should pay Mr K £50 for the inconvenience of not being provided with a hire car. However, he didn't think he had enough evidence to ask Covea to replace Mr K's personal items, except for one, for which he thought the £25 Covea had paid was fair.

Mr K accepted our investigator's findings. Covea didn't respond. So, the complaint has 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 decided to uphold Mr K's complaint for the same reasons as our investigator. I'll explain why.

### The tow bar

In its response to Mr K in October 2023, Covea said it thought the tow bar was an accessory, and I think that's right. Mr K's policy provides the following cover for accessories:

"We cover the following

Loss of or damage to:

accessories and spare parts that are only for your vehicle and are in or on your vehicle, or in your garage at the time of the loss or damage"

I'm satisfied the tow bar was fitted to Mr K's vehicle and the vehicle has now been sold by Covea's salvage agent. Covea hasn't disputed that the tow bar was declared on the policy, and Mr K's insurance schedule reflects that the car was modified. I think a fair outcome is for Covea to accept cover for the tow bar as an accessory under the terms of the policy. To recognise the fact that Mr K has been out of pocket for this, I think Covea should add 8% simple interest per year, from the date it first settled the claim to the date it goes on to settle this complaint.

I also think Mr K has been caused some worry that this part of his claim wouldn't be covered, and some inconvenience in challenging Covea. I think it's fair that Covea pay some compensation to recognise this, and I've kept this in mind when coming to an overall award.

### Items left in the vehicle

Mr K has listed several items that he says were inside his car that haven't been returned to him, and I can see he told Covea about these.

I've considered the available evidence and I've reviewed the images provided by both parties. I agree with our investigator that I don't have enough evidence to tell Covea to pay for the majority of the items. This includes an earring that Mr K believes was lost during the accident – and I understand this had sentimental value. I'd like to reassure Mr K that I have considered the points he's raised and I'm sorry to hear that this item was lost. But I'd need to be satisfied that all the items were inside the vehicle, and I don't have enough evidence to say they were. So I don't think it would be fair to ask Covea to reimburse him for these. Although, I note one of the items was part of the tow bar which would be included in Covea's settlement of this.

However, the photos do show that one item was present in the car – an atlas behind the front seat. I think Covea should pay to replace this, as Mr K's policy covers personal belongings. Mr K has said that this was worth around £5, so I think the £25 Covea paid in connection with his personal belongings fairly covers this.

Covea paid the £25 to Mr K but I understand he has since returned this. If the money has been returned, Covea should pay this to Mr K again.

### The hire car

Mr K says he expected to be provided with a hire car. Covea says he wasn't entitled to one because his car was deemed a total loss, and he would need to take this up with the hire company. Mr K says he should have been provided with a hire car up until his car was written off.

Regarding a replacement vehicle, Mr K's policy states the following:

“Guaranteed replacement car – We'll give you a replacement car while yours is being repaired after an accident anywhere in the UK, or until it's declared a total loss (if you use our repairer network).”

This is also stated in Mr K's insurance product information document amongst the key benefits of the policy.

I appreciate Covea has said that it isn't responsible for the company that provides the hire car. But I agree with our investigator that Mr K's policy entitles him to a replacement vehicle until his is declared a total loss. And Covea is responsible for carrying out the contract of insurance, so I think it's fair to hold Covea responsible for the provision of the hire car.

Mr K has said the delay caused him to feel rushed into buying a replacement car. From what Covea has provided, it isn't clear exactly when Mr K's car was deemed a total loss and exactly what happened with the hire car. But Covea offered Mr K a settlement that he accepted within a week of the claim being reported. So, while I think Mr K has been put to some inconvenience, I think the impact of the delay was fairly small overall.

For the issues relating to the tow bar and the hire car, our investigator recommended Covea pay an additional £150. Having considered the circumstances of this complaint, I think this fairly reflects the trouble and upset caused to Mr K. So, £150 is what I award.

### **Putting things right**

To resolve this complaint, I require Covea to:

- 1) Pay for the tow bar as an accessory under the terms of the policy,
- 2) Add 8% simple yearly interest to any cash amount paid under (1) above\*,
- 3) Pay Mr K an additional £150 compensation for distress and inconvenience, and
- 4) pay its £25 back to Mr K if he has returned this.

\*If Covea considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr K how much it's taken off. It should also give Mr K a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

### **My final decision**

For the reasons I've given, I uphold Mr K's complaint and direct Covea Insurance plc to do as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 5 August 2024.

Chris Woolaway  
**Ombudsman**