

## The complaint

Miss E complains Covea Insurance plc delayed her car insurance claim and didn't offer a fair claim settlement.

## What happened

In June 2023 Miss E's car was hit whilst parked by an unknown third party. Shortly afterwards, she contacted Covea to make a claim.

Covea offered Miss E two choices of repairer, but Miss E considered them both too far away. Miss E was also unhappy with the size of the courtesy car Covea said it would provide.

The claim remained unresolved by November 2023, so Miss E made a complaint. Covea arranged a different repairer than the two offered previously, and in December 2023 a booking in date for January 2024 was arranged.

After an inspection, Covea offered Miss E a cash settlement of £3,864.70. Covea said it had decided to do this instead of repairing the car because it thought pre-existing issues with the car could complicate a repair. Miss E then made another complaint.

Covea said it had been waiting for Miss E to provide a choice of repairer, so it didn't think it had caused delays. It also said it didn't think a cash settlement was unfair since it was entitled to decide how to settle the claim, and it thought the amount offered was fair since it considered other damage Miss E was claiming for, including water damage and an issue with the car's suspension, was unrelated to the accident. However, Covea agreed there had been a few delays replying to some emails Miss E sent, so it paid her £50 for this.

Our investigator thought Covea should have done more to progress the claim. So he said Covea should pay Miss E £250 compensation. He also said he didn't think Covea had provided enough to show the suspension issue was unrelated to the accident, so he thought it should pay Miss E the cost to repair this. But he didn't agree Covea should cover the water damage the car had sustained.

Because Covea didn't agree, the complaint was referred to me to decide. I issued a provisional decision not upholding the complaint and I said:

### *"The claim delays*

*There was a gap of approximately four months between Miss E logging her claim and a repairer being agreed. I've considered what likely caused this delay, and if Covea could have reasonably acted differently to avoid it. Having reviewed the evidence, including listening to call recordings, I'm not persuaded Covea acted unfairly.*

*Shortly after the claim was first reported, Covea offered Miss E a choice between two repairers – both of which were about an hour's drive away from her home. Miss E didn't want to use these, so Covea said if she wanted to use a repairer more local to her she could find one and it would review approving this once an estimate was provided. In a later call, Miss E*

*said she was looking for a local repairer, but I've seen nothing showing she went back to Covea with the details of one, or an estimate. After Covea offered Miss E the option to use a local repairer, it called her a few days later and left a voicemail after receiving no answer. But it didn't hear anything more from Miss E until November 2023.*

*I don't think the choice of repairers Covea offered caused the delay. Covea offered Miss E a reasonable alternative in letting her pick a local repairer, it left a voicemail to find out if she'd done this, and it didn't hear anything more from Miss E until several months later. Ultimately, it was for Miss E to contact Covea to let it know her which repairer she wanted to use, and in the circumstances, it wasn't unreasonable for Covea to wait for Miss E to do this.*

*Miss E asked Covea about her entitlement to a courtesy car, explaining she needed a larger car because of her children. Covea said, if she used one of its repairers, only a small courtesy car would be provided. But it said, because she had a Guaranteed Replacement Car extension on her policy – arranged by the broker – if she required a larger car, she could request the use of this cover from her broker.*

*I'm satisfied Covea advised Miss E correctly here. The policy terms confirm only a small courtesy car would be provided if available through one of Covea's repairers. However, Miss E did have Guaranteed Hire Car cover. But this cover wasn't provided or administered by Covea, so Miss E would have needed to request this through her broker.*

*Miss E did request a replacement car using her Guaranteed Hire Car cover. And although a seven-seat car was offered, Miss E wasn't satisfied it was suitable, saying she needed a 4x4 since there were times she needed to drive off-road and through country lanes.*

*Covea tried to help get Miss E an upgrade. It called the hire car provider, but it couldn't authorise an upgrade. Covea has provided emails dated 30 June 2023 to show after this call it referred the matter of the hire car back to Miss E's broker, and told Miss E the broker would need to authorise any upgrade to the hire car offered.*

*I don't think Covea could have done more than this. And it was ultimately not responsible for the performance of that contract. It didn't provide or administer the Guaranteed Hire Car cover, so it had no control over what car Miss E would be offered under this, and no powers to authorise an upgrade. I think it acted fairly by referring this matter back to the broker, and letting Miss E know she'd need to take this up with her broker.*

*I note during one call Miss E raised a concern about the safety of her car seats. But I don't think this was the cause of the delay. Covea told Miss E it would review a claim for the car seats if she provided receipts, photos of the car seats, and confirmed the make and model of the seats. Looking at the claim notes, it doesn't seem Miss E followed up on this until January 2024 when she provided receipts.*

*Overall, I haven't seen anything to show Covea handled the claim unfairly. It offered Miss E a choice of repairer, and when Miss E declined both options, it offered a reasonable alternative by letting Miss E pick her own repairer. Miss E didn't appear to follow up on this. And I think it's likely that was because she wasn't satisfied with the hire car she'd been offered. But because Covea had no control over what hire car Miss E would be provided since it wasn't the insurer of the Guaranteed Hire Car cover, I can't say this was Covea's fault. So I don't think Covea could reasonably have acted differently to avoid the delay on the claim.*

*Once the claim resumed in November 2023, there was a delay of approximately two months arranging and taking Miss E's car to a repairer. I don't find Covea caused this delay. Once the complaint was made in November 2023 Covea arranged a repairer a week later, which*

wasn't an unreasonable length of time, and according to Covea's notes the subsequent delays in the booking in date were due to the repairer's availability, which was outside Covea's control.

*The cash settlement offer*

*I've firstly considered if it was reasonable for Covea to offer a cash settlement instead of carrying out repairs.*

*I'm satisfied the policy terms allowed Covea discretion on whether to repair the car or pay a cash settlement. And I don't think Covea exercised this discretion unreasonably. Looking at the photos of the condition of the car, several defects were highlighted outside of the area of impact from the accident, in addition to which there was water damage and a reported issue with the suspension which Covea didn't think were accident related. So I don't think Covea's concerns these issues could complicate repairs were unfounded.*

*Covea has provided a copy of the estimate its engineer provided for the damage to the front passenger door. I haven't seen anything to show the engineer's estimate of £3,864.70 underestimated the cost of putting right this damage. So I can't say the settlement amount offered for the agreed damage to the passenger door was unfair.*

*The remaining aspects are whether Covea should have included the cost of rectifying the water damage, and the suspension fault.*

*I understand the water damage arose due to the damage to the passenger door compromising its water tightness and allowing water penetration. I find it more likely than not this damage wouldn't have arisen had there not been delays on the claim. And since I don't think Covea were at fault for these delays, I don't think it would be reasonable to require Covea to rectify the water damage.*

*Covea said its engineers didn't believe the suspension damage was accident related, the impact damage was nowhere near the suspension and the MOT history showed an issue with the suspension from before the date of accident. It said Miss E should get her own report if she disputed the decision not to include the suspension damage in the claim.*

*Miss E said after the incident a warning light displayed on her dashboard indicating a problem with the suspension which had never appeared prior to the accident. She also said, when her car was inspected by Covea's repairer, the mechanic confirmed from a diagnostic that the date of the suspension fault was the same as the accident, and that she had the suspension repaired after the MOT which flagged an issue with it.*

*I can see from the MOT history the car failed an MOT in December 2022 with the following major defect noted: "Nearside Rear Upper Suspension arm pin or bush excessively worn inner bush". Miss E provided an invoice dated the same date as this MOT showing a payment for "Rear Suspension Upper Control Arm inc Bolts". Since the issue from the MOT appears to have been rectified, I don't think the MOT failure is relevant.*

*However, I'm not persuaded there is enough here to show the accident in June 2023 resulted in damage to the suspension.*

*Miss E said a warning light appeared on her dashboard after the accident. But she doesn't appear to have reported this when she first made the claim. Listening to the calls when the claim was first made, when asked about the damage Miss E only described there being damage to the passenger side front door and step. So I can't say there's a clear history showing the suspension fault was known about, and reported near the date of loss.*

*I've seen nothing to show any concerns with the suspension were raised until after November 2023 and I understand up until then the car was still in use. Given it doesn't appear the suspension fault was raised initially, and the car was in use for about four months afterwards, I find it understandable Covea had concerns the suspension fault may have originated after the accident.*

*Other than Miss E's comments, there's nothing more I've seen which shows a diagnostic by the repairer revealed a fault with the suspension matching the date of the accident. So I don't think there's enough for me to doubt Covea's comments that the repairers had told it they didn't consider the suspension damage be accident related. I also note the car had an MOT carried out on 4 January 2024, and this MOT showed the car had a mileage recorded of 133,746 and also made reference to the suspension arm being worn. And I think this indicates it's more likely the suspension issue was due to wear rather than the accident.*

*I don't think it was unreasonable for Covea to accept its engineer's position that the suspension damage was unrelated to the accident as it appeared to have little to suggest otherwise. So I don't think it was unfair for Covea not to include the cost of the suspension in its cash settlement and to suggest Miss E obtain her own report if she wished to dispute this further.*

*I understand Miss E has now had the suspension repaired. I haven't seen any invoice from this or any report detailing the damage to the suspension and the cause. So as far as I'm aware, nothing more has emerged from this repair to demonstrate the cause of the suspension fault was the accident in June 2023."*

Covea replied to my provisional decision to say it had nothing further to add. Miss E replied disagreeing and in summary she said:

- When she complained she was passed around multiple departments which created confusion, frustration, and delays. And she had complained previously to us about these issues.
- Covea didn't offer a £100 allowance as part of the claim, and she was left without a suitable vehicle.
- She raised concerns with Covea that the car was unsafe to drive due to the door not closing properly and concerns about the suspension being damaged. Covea showed a lack of care when these concerns were raised.
- She had stopped driving the car due to safety concerns about the door and was unaware of any water damage.

### **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.

I've considered Miss E's response to my provisional decision, and while I understand Miss E will be disappointed by this, I've reached the same conclusions as I did in my provisional decision. I'll explain why.

I understand that Miss E brought previous complaints to this Service. But those complaints were specifically about her guaranteed replacement car cover. As I said in my provisional decision, Covea wasn't responsible for providing this cover. So I don't consider it to be

responsible for any delays caused by the service provided, or a dispute which arose about the guaranteed replacement car cover.

It doesn't appear Covea unreasonably passed Miss E around different departments when she first made her claim in June 2023. So if Miss E is referring here to the service she received from the broker, or any other third parties involved in providing the guaranteed replacement car cover, again, I can't consider that here since Covea didn't provide the guaranteed replacement car cover. I also think this applies to the £100 allowance Miss E mentioned, as the £100 cash benefit is a benefit included in the guaranteed replacement car cover, rather than a benefit of the car insurance cover which Covea provide.

After June 2023, Miss E didn't contact Covea until November 2023 when she made a complaint. Looking at Covea's claim notes, within a week of receiving the complaint, Covea had instructed a repair centre. Miss E sent images of her car to the repairer on 20 November 2023 and the repairer contacted Miss E on 11 December 2023 to confirm a booking in date.

Overall, I think the timeframe for making the above arrangements was reasonable. And I see no clear signs that Covea made this process unreasonably difficult for Miss E by passing her unnecessarily around different departments.

Other than mentioning concerns about a child car set, which I acknowledged in my provisional decision, it doesn't appear Miss E raised any further concerns about the safety of her car due to the door or suspension until the claim resumed in November 2023.

I can see that Covea responded to Miss E's concerns about the safety of the car in December 2023. And it said that having discussed with its engineers it didn't think the damage to the car made it unsafe or undrivable. Other than Miss E's comments, I've seen nothing more to show the car was unsafe to drive. Given that Covea investigated and responded to the concerns Miss E raised - reassuring her the car was safe - I'm not persuaded it acted unreasonably or showed a lack of care.

Lastly, with regards to the water damage, given that the car door was damaged during the initial accident, this may have later put the car at risk from water getting inside. Miss E says she wasn't aware of any water damage at the time of the accident. And I've seen nothing to show any water damage was caused immediately. So I think it's more likely any water damage would have occurred later on, potentially gradually.

But I could only reasonably hold Covea responsible for any water damage which happened after the accident if I was satisfied that the water damage was unavoidable, Covea could have acted differently to avoid it happening, and Miss E had taken reasonable steps to mitigate it from happening. And I'm not persuaded that has been shown.

On balance, I think it's likely that the water damage could have been avoided if the car door had been repaired earlier on. And because Covea offered Miss E the option of finding her own repairer at the time she made the claim, and it wasn't at fault for the delay of four months which followed this, I don't think Covea unfairly declined to deal with the water damage.

As Miss E's comments haven't led me to reach a different conclusion to the one I reached in my provisional decision, and Covea hasn't provided me anything further to think about, I don't uphold this complaint for the reasons set out here and within my provisional decision.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss E to accept or reject my decision before 17 December 2024.

Daniel Tinkler  
**Ombudsman**