

## **The complaint**

Ms M has complained about Covea Insurance plc's decision to reject a claim she made for damage under a home buildings insurance policy she jointly holds with Ms S and Mr C.

As Ms M is the lead complainant, for ease I will refer to only Ms M in my decision.

All reference to the underwriter Covea in my decision includes its agents.

## **What happened**

In December 2022 Ms M reported damp damage to two bedroom walls which she first noticed in September 2022. In November 2022 following heavy rainfall, the cause of the damage was discovered by overflowing guttering due to a blocked down pipe. This was causing water to penetrate the outside wall which led to the damp damage inside the property.

In January 2023 Ms M provided the information Covea needed to consider the claim. Due to the estimated costs for repairs, Covea said it needed to instruct a Loss Adjuster (LA) to validate the claim.

In February 2023 the LA reported to Covea that the damage had occurred gradually and hadn't been caused by an insured event. Although the policy provided Accidental Damage (AD) cover, damage caused by damp was excluded. And so the LA on behalf of Covea told Ms M that the claim was declined. Covea cited a term of the policy requiring the customer to notify it of any damage at the time.

Ms M complained about Covea's decision. She said it had been very difficult to make a claim and complaint with Covea as this had involved multiple calls and emails involving Covea, its agents and the broker. Ms M was unhappy with the LA's visit. She said it only took around 15 minutes, he seemed unprepared and had said a second visit would take place. Ms M said he declined to view other parts of the property to demonstrate it was well maintained.

Ms M said she'd appointed a builder of her choice to visit the property when she first noticed the damp in September 2022, but he hadn't been able to identify the cause. So she doesn't believe a contractor of Covea's would have. It wasn't until there was heavy rain that the cause could be identified. She doesn't believe she could have done anything differently to have mitigated the circumstances.

Covea said its decision was correct. But it accepted that it should have been clearer about why it had declined the claim. For its poor service, Covea offered Ms M £75 compensation.

Ms M didn't agree this sum was reasonable. She brought the complaint to us.

Our Investigator didn't recommend the complaint should be upheld. Ms M didn't agree. In summary she says she believes the claim should be considered under the AD section of the policy.

So as Ms M disagrees, the case 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.

Ms M's policy with Covea provides cover for specific insured perils which are sudden unforeseen events such as flood, fire or storm. It isn't unusual for an insurance policy to have exclusions for damage that doesn't happen suddenly, where the damage has happened over time.

I've looked at what Covea's policy says in relation to Ms M's claim. In its claim decision letter dated 3 March 2023, the LA referred to the policy wording under 'General Exclusions' which says:

*"Reasonable Care"*

*"If in relation to any claim You have failed to fulfil any of the following conditions. You will lose Your right to indemnity or payment for that claim.*

*You must:...*

*e) make good or remedy any defect or danger which becomes apparent and take such additional precautions as the circumstances may require"*

The LA said the claim had been declined as the damage had been caused by an ongoing issue.

In Covea's final response to Ms M, It set out its claim conditions as explained under the policy;

*"Claim Conditions*

*Your duties*

*In the event of a claim or possible claim under this Policy You must:*

*1. notify us as soon as possible giving full details of what has happened."*

Ms M says that she took action as soon as possible by calling her builder to visit the property - but he wasn't able to identify the cause. And so she doesn't agree that had she contacted Covea sooner, the outcome would have been different.

I have no way of knowing whether another contractor might have identified the cause of damage sooner. I can only consider whether Covea acted reasonably in applying the terms of the policy when considering the claim - and I think it did. Because Ms M's builder wasn't able to identify the cause of damage sooner doesn't mean Covea should meet the claim. As Ms M didn't report the incident to Covea when she was aware of the problem on 11 September 2022.

Covea defines the term 'accidental damage' under the policy as;

*"Damage caused suddenly, unexpectedly and accidentally"*

Under 'What is not covered' Covea says:

*"for damage caused by infestation, insects, vermin, corrosion, damp, wet or dry rot, mould or frost"*

So I'm satisfied that the claim isn't covered under the accidental damage section of the policy. And as there isn't evidence of an insurable event which is covered under the policy, I think Covea's decision to decline the claim was reached in a reasonable way and in line with the policy.

Ms M is unhappy with the service she received from Covea and the LA. She wanted to see a copy of the LA's report as she didn't agree with Covea's decision to decline the claim.

I don't have sufficient evidence to show that the LA acted unprofessionally. From the information the LA provided to Covea, I think he reached his decision fairly and provided photos to support his opinion. And Covea doesn't have to provide a copy of the report to Ms M, but it did provide key extracts from it showing Ms M the reason why it declined the claim.

I agree that the letter the LA sent confirming the decision to decline the claim could have been clearer. Because it wasn't, this led to Ms M raising further queries with Covea to establish why it had declined the claim.

For the inconvenience this caused Ms M, Covea offered to pay Ms M £75 compensation. I appreciate Ms M doesn't think this is a reasonable sum. She says it cost her time and money to raise her claim and complaint with Covea.

It's reasonable to expect some degree of inconvenience and own time when raising a claim with an insurer. Unfortunately I think this is inevitable. And it is something that fortunately doesn't happen every day. I understand Ms M's disappointment that the crux of her complaint - that the claim wasn't met - hasn't been upheld. But as I think Covea reached a fair decision about the claim, I don't think Covea needs to do any more.

### **My final decision**

For the reasons I've given above, my final decision is that I think Covea Insurance plc has done enough to resolve the complaint. I think its offer of compensation of £75 is fair. If it hasn't already paid this, it should pay if Ms M, Mr C and Mrs S accept my decision.

Covea Insurance plc must pay the compensation within 28 days of the date on which we tell it Ms M, Mr C and Mrs S accept my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C, Ms M and Mrs S to accept or reject my decision before 19 October 2023.

Geraldine Newbold  
**Ombudsman**