

The complaint

Mr D complains about Fairmead Insurance Limited's proposal to deal with a subsidence claim made under his buildings insurance policy.

What happened

Mr D made a claim after noticing cracking at his property. Fairmead accepted a claim for subsidence. This was being caused by shrinkage of clay soil caused by nearby vegetation.

One tree (owned by Mr D) was removed at the front of the property, but there were still trees at the rear of the property that it was thought may be contributing to the movement. Those trees are owned by a third party.

Fairmead didn't think the third party would agree to the removal of the trees (because of the site in which they were located), and so it initially decided to see if a root barrier system would be appropriate to stabilise the property. It wanted to arrange for a company to carry out an inspection to establish this. However, before it could arrange this, Mr D disagreed with Fairmead's proposals. He said his engineer thought the property needed to be underpinned, and didn't think a root barrier system would be appropriate.

In response to this, Fairmead said it could make a cash settlement for the cost of the root barrier system and Mr D could arrange his own underpinning. Mr D didn't agree to this.

Fairmead then learnt that the third party had agreed to the removal of a tree a few years earlier when a nearby property had experienced subsidence. It therefore offered to appoint an arboriculturist to provide advice on what tree management would be required (in conjunction with monitoring). If it was established that tree/s at the rear were still causing movement (and those trees could be identified), it intended to ask the third party if the tree/s could be removed. If that wasn't possible, it could consider other options, such as a root barrier system.

Mr D brought a complaint to this service. He still thinks Fairmead should underpin his property, as that's the advice he received from his engineer.

Our investigator didn't recommend the complaint be upheld. He thought Fairmead's proposal sounded fair. He said if the trees were removed or a root barrier installed and this didn't provide an effective and lasting repair, then Mr D would be entitled to ask Fairmead to consider taking other action.

Mr D didn't accept our investigator's findings, and so the matter has been passed to me for a decision.

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.

Mr D appointed a firm of engineers to carry out an inspection (that I'll call 'Company C').

Company C observed that there was substantial cracking at the property, and thought this was due to the affect of nearby vegetation on the clay soil. They said that, subject to further site investigations, a scheme of underpinning works would need to be carried out with crack repairs to the property.

Fairmead doesn't think it's been shown that underpinning is necessary at the moment. I understand that Mr D has allowed monitoring to take place at his property, but an arboriculturist hasn't yet carried out an inspection. Fairmead says the monitoring shows that there's been no significant movement at the property since October 2020.

Given the subsidence has been caused by the impact of vegetation on the clay soil, I assume the monitoring would need to continue throughout spring and summer to see whether the remaining trees are still causing movement.

So long as it's established that there is still ongoing movement, then if Mr D's property can be stabilised through the removal of the trees, then there'd be no need for Fairmead to consider other options (such as a root barrier or underpinning). I think it was therefore appropriate for Fairmead to offer to appoint an arboriculturist to provide an opinion on the matter. I don't agree with Mr D that Fairmead needs to carry out underpinning at this stage.

If it's established that the trees to the rear *are* causing movement and the third party refuses to remove them, I would then expect Fairmead to consider the next steps to stabilise the property. Fairmead would be guided by the advice of its experts about those steps.

I've noted that Company C are of the opinion that the installation of a root barrier won't provide an effective repair, though they haven't said why that is. It wouldn't be appropriate for me to comment at this stage on whether a root barrier would be effective or not, as Fairmead hasn't obtained any expert advice about this.

Mr D is concerned that he's obtained a structural report which has recommended underpinning, but Fairmead hasn't agreed to do this. He thinks that if Fairmead later goes ahead with the root barrier system, any future structural assessment of the property would fail.

I can understand Mr D's concerns. However, although one engineer thought the property needed to be underpinned, that doesn't necessarily mean that underpinning is the only solution to the ongoing movement.

If the trees can't be removed in order to stop any ongoing movement, then Fairmead will need to provide an effective and long-lasting solution to this. Regardless of whether that ends up happening as a result of a root barrier system or some other means (such as underpinning), Fairmead will need to continue monitoring to ensure the movement has stopped as a result of its actions. It should then provide Mr D with a certificate of structural adequacy. This will provide Mr D (and any future buyer of the property) with reassurance that the repairs stopped the ongoing movement.

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 Mr D to accept or reject my decision before 14 June 2021.

Chantelle Hurn-Ryan
Ombudsman