

The complaint

Ms B complains about Ageas Insurance Limited's (Ageas) handling of a subsidence claim. Any references to Ageas include its agents.

What happened

Ms B owns a flat within a building of eight flats. Ms B says in December 2016, the owner of another flat in the building notified the freeholder that they had seen signs of cracking in their property. Ageas was then notified of the potential claim in November 2018.

Ageas appointed a loss adjuster, who arranged for an arborist to inspect the property. Ms B says there is a mature Cedar tree outside the property, which she thought likely to be contributing the cause of subsidence. This tree wasn't identified by the arborist, but some smaller trees were. These were felled in November 2019, but Ms B says there continued to be evidence of cracking in the property. Following on from this, Ms B says the loss adjuster considered the property was recovering from the work to remove the nearby trees, but it was agreed the Cedar tree would be pruned.

A further report by a different arborists' was instructed. This report implicated the Cedar tree as likely being implicated in the cause of the continuing subsidence. This happened in May 2020, but the Cedar tree wasn't felled until September 2020.

Ms B says the handling of the claim has impacted her. She says she's had problems keeping tenants in her flat and carrying out the necessary repairs identified. Ms B complained to Ageas saying there had been a lack of care and attention when handling the claim, and that it was taking too long to resolve. In July 2020, Ageas agreed there were avoidable delays in its handling of the claim. Ageas sent Ms B £150 in recognition of the delays experienced.

Unhappy with Ageas' response to her complaint, Ms B referred this matter to us. One of our investigators looked into what had happened and recommended Ageas increase the compensation it had offered to £500. Ageas accepted this, but Ms B didn't.

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 can see this has been a long running claim, and I've summarised the background briefly above. This isn't intended to disregard any submissions made, rather it's a reflection of the informal nature of this service. My decision here focuses on Ageas' handling of the claim up until it issued its final response letter in July 2020. This means I haven't considered any of Ms B's concerns about the handling of the claim or repairs since this point. And I haven't considered her comments about the increase in premiums, as this wasn't included in Ageas' final response letter.

There's no dispute about the property experiencing subsidence – or what the cause of the subsidence is. What I'll be considering here is whether the compensation payment recommended by our investigator is a fair and reasonable resolution to Ms B's complaint about Ageas' handling of the claim.

It's accepted the Cedar tree could have been implicated in the subsidence much sooner than it was. Ageas has said the miscommunication that caused the Cedar to be overlooked resulted in a five-month delay in arranging for the tree to be felled.

I don't consider the approach originally taken to remove the smaller trees to be entirely unreasonable here. In doing so, if the property continued to experience subsidence, there would be clear evidence that the Cedar tree was contributing to any continued movement. Given the property was in a conservation area, I don't consider it surprising this was a first course of action.

I've considered the information provided and I agree it was clear, from the early part of the claim, the Cedar tree was likely to be implicated in the subsidence. As I've said, I can see the logic to removing the smaller shrubs to confirm if the Cedar was implicated. However, I'm satisfied that there was sufficient information on file, and in the loss adjusters' notes, to suggest there were grounds to seek a second opinion on the Cedar tree following the original arborists report. It took another year before the second arborist's report was instructed and I consider this step could and should have been taken sooner.

However, there isn't any doubt the claim was delayed as a result of a miscommunication between the loss adjuster and original arborist. This delayed matters by several months. And the overall responsibility for this delay rests with Ageas.

I appreciate Ms B is aware subsidence claims can be long-running. This claim was logged in late 2018 and is still unresolved. As Ms B knows, we can only consider Ageas' handling of the claim up until the point of the final response letter – which was issued here in July 2020.

So, for the timeframe I am able to consider, it's clear Ageas delayed the progression of this case. And it's clear this delay has impacted Ms B. She's consistently been in touch with Ageas to try and progress the claim and has set out her concerns about the Cedar tree on a number of occasions. Ms B has a tenant in her flat and has explained how she's been impacted by the damage that remains outstanding. She's had to spend a significant amount of time trying to maintain tenants in her flat, and it's been a worrying and frustrating time for her.

Our investigator recommended Ageas pay compensation of £500 to Ms B. I agree that, considering the impact the delays between late 2018 and July 2020, the compensation of £500 is fair and reasonable in the circumstances.

My final decision

I uphold this complaint. I require Ageas Insurance Limited to pay Ms B £500 for the distress and inconvenience experienced.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 7 April 2022.

Emma Hawkins

Ombudsman