

The complaint

Mrs M complains about Prestige Underwriting Services Ltd's handling and proposed settlement of her Buildings Insurance Claim.

All references to Prestige also include its agents.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead I'll focus on giving my reasons for my 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.

Having done so, I agree with the conclusions reached by the investigator for these reasons:

- Prestige have objected to our service commenting on the issues relating to cracking at the property within this complaint. It says it doesn't form part of the original complaint made by Mrs M.
- However, I can see Mrs M raised the issue regarding the cracks within her original complaint letter of February 2021. This being one of the reasons why she disputes the cash settlement offered by Prestige.
- I can also see this is also mentioned within internal communication by Prestige at the time. So, I'm satisfied our service can consider this issue as part of this complaint.
- Prestige carried out drainage repairs at the property, and this was believed to repair the cause of the subsidence.
- In December 2019, Prestige reported cracking was below 5mm and the recommended scope of work for repairs was based on this.
- Mrs M said the damage is ongoing and cracks have since grown larger, beyond 10mm, of which she has provided supporting photos
- Mrs M has provided a report from her own surveyor indicating further movement has occurred, and detailing what damage they believe looks to have happened before and after the repairs were carried out.
- Prestige have said it suspects the bearing strata below the foundations has been further disturbed and could result in further movement. But I haven't seen anything to show further investigation has been carried out to confirm or monitor further movement
- Based on the information I've seen; I think Prestige needed to do more here. Sufficient evidence has been presented that suggests further movement has occurred following repairs. In the circumstances I would expect Prestige to investigate this issue as it needs to ensure the repairs it carries out are lasting and effective.

- So I think Prestige needs to carry out further investigations to ensure the subsidence has stopped following drainage repairs. If the movement hasn't stopped. Prestige will need to consider what further mitigation works are required and ensure it's stopped, before looking at damage repairs or reviewing any potential cash settlement.
- Alternatively, if Prestige investigate and believe no further action is needed, it will need to explain why it thinks this. If Mrs M is unhappy with Prestige's response, she may consider bringing a new complaint to our service.
- As I've set out above, Mrs M raised issues relating to the cracks growing larger in her complaint letter to Prestige in February 2021
- Prestige have indicated to our service they are willing to investigate this, but to date this doesn't appear to have happened
- As Mrs M has mentioned there were further issues which potentially related to the claim, I would have expected Prestige to have investigated this at the time,
- I can understand why the cracks getting bigger would have concerned Mrs M and I think the lack of action would have caused her worry.
- So I do agree compensation is due. Considering what I've set out above, I think the £500 compensation recommended by our investigator is in the range of what I think is reasonable in the circumstances and reflects the inconvenience caused.

Putting things right

To put things right, I direct Prestige to:

- Investigate and report on the further cracking and movement issues reported by Mrs M.
- Pay Mrs M £500 compensation.

My final decision

My final decision is that I uphold Mrs M's complaint.

I direct Prestige Underwriting Services Ltd to do as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 20 April 2022.

Michael Baronti
Ombudsman