

## **The complaint**

Mrs A has complained about the settlement offered by U K Insurance Limited (UKI) under a home insurance policy.

## **What happened**

Mrs A contacted UKI to make a claim for damage to her garden wall following a vehicle recovery truck hitting her neighbour's wall. UKI offered £3,131.88 to cover the cost of her front wall and a 50% contribution to the party wall. Mrs A rejected the offer. UKI then reduced the settlement offer to £1,450.30. When Mrs A complained, UKI said it had made a fair offer.

So, Mrs A complained to this service. Our investigator upheld the complaint. He said there was clear evidence of the recovery vehicle hitting the wall. UKI hadn't shown that the pre-existing condition of the wall affected the extent of the damage when the recovery vehicle hit the wall. He said UKI should settle the claim at the cost to Mrs A for replacing her front garden wall and a 50% contribution for the party wall.

As UKI didn't agree, the complaint was referred to me.

## **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 uphold this complaint. I will explain why.

UKI has said the damage to Mrs A's wall wouldn't have happened had it not been for the pre-existing condition of the wall, which it said was already leaning.

I've looked at the video footage of the recovery vehicle, which was towing a large vehicle, hitting the neighbour's wall. I'm aware this was at slow speed but, in my view, the weight of the vehicles was likely to have been considerable. The policy said it covered damaged caused by the building being hit by a vehicle. UKI also seemed to accept the wall suffered damage as a result of it being hit by a vehicle and made two offers to cash settle the claim.

I don't think UKI has provided evidence to show the extent of the damage to Mrs A's wall was the result of its pre-existing condition. Based on what I've seen, I think it's reasonable to say that the recovery vehicle striking the wall was the cause of the damage. So, I think UKI needs to settle the claim.

Mrs A has said she would like UKI to pay for her front wall, contribute to the party wall and also pay for another wall to be rebuilt, which would no longer match. I think UKI should pay for the front wall and 50% towards the party wall. But the policy didn't cover loss of match with undamaged items. So, I don't think UKI needs to pay anything towards the other wall.

UKI offered a cash settlement for the damage. It then reduced the amount it was willing to pay. Both of the offers were considerably less than Mrs A's quote for the work. UKI has said Mrs A wanted the neighbour's contractor to do all of the work. UKI's own contractor also declined to do the work, as it didn't think it could work on a wall that was also being worked on by another contractor. So, I think both Mrs A and UKI thought the same contractor should do all of the work.

As UKI's contractor declined to do the work, I think it's reasonable for UKI to settle the claim at the cost to Mrs A, so that she can have the work carried out. It must do this on the basis of a quote or invoice provided by Mrs A to have the work carried out to rebuild her front wall and to cover 50% of the cost of the party wall.

### **Putting things right**

UKI should pay Mrs A's the cost to her to rebuild her front wall and 50% of the cost of the party wall.

### **My final decision**

For the reasons I have given, it is my final decision that this complaint is upheld. I require U K Insurance Limited to pay Mrs A the cost to rebuild her front wall and 50% of the cost of the party wall. This should be at the cost to Mrs A for this work being carried out, subject to her providing suitable evidence of these costs.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 3 October 2023.

Louise O'Sullivan  
**Ombudsman**