

## **The complaint**

Mrs K complains UK Insurance Limited (UKI) handled her subsidence claim poorly.

UKI's been represented by agents during the claim. For simplicity I've referred to the agents' actions as being UKI's own. For the same reason I've referred to Mrs K's representative's actions and comments as being her own.

## **What happened**

In May 2019 Mrs K made a subsidence claim against her UKI home insurance policy. The insurer accepted the claim. There was damage to the inside of the home and external drain lines. Mrs K was unhappy with how UKI was progressing the claim. So she complained. She wasn't satisfied with its response, so came to this service.

In March 2022 our Investigator considered Mrs K's complaint points and what had happened up until around that point. She recommended UKI increase its offer of £300 compensation to £600. This was to recognise the impact on Mrs K of avoidable delay. She also recommended UKI conduct a full survey of the property in line with recommendations made by Mrs K's engineer. The Investigator also suggested UKI cover the cost of the engineer attending a joint site visit with UKI's agent. Both UKI and Mrs K accepted that resolution in May 2022.

Mrs K was unhappy with how the claim progressed after that. So she made further complaints. In response UKI made various apologies about the service provided and offered compensation. This included £400 in August 2022 and £100 in November 2022.

Mrs K wasn't satisfied with the progress of the claim, so in March 2023 she came to this service again. She said UKI had failed to diagnose the underlying cause of subsidence. She was unhappy with the general pace of the claim. She confirmed stabilisation works to the house had been agreed, but wasn't happy with UKI's proposals for drains at the property. She was concerned the repairs wouldn't be lasting and effective.

Our Investigator considered the complaint. She said UKI should ensure the drainage repair is lasting and effective, but hadn't seen evidence to persuade her its proposed works wouldn't be. She said UKI should improve its communications with Mrs K. The Investigator felt UKI had caused an avoidable delay. But she was satisfied the compensation already offered for the period she had considered for the complaint to be fair.

UKI accepted the outcome, but as Mrs K didn't the complaint was referred to me. The claim had progressed, so I asked Mrs K to set out her outstanding complaint points. She said she's still concerned UKI's proposed works to the drain lines won't provide a lasting and effective repair. And she feels she should be awarded further compensation for the distress and inconvenience caused by its poor handling of the claim.

## **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.

As this is an informal service I'm not going to respond here to every point or piece of evidence Mrs K and UKI have provided. Instead I've focused on those I consider to be key or central to the issue. But I would like to reassure both that I have considered everything submitted.

I'm not going to decide on what action or repair UKI should or shouldn't undertake in relation to the drains. I've explained to Mrs K already why I don't feel it would be appropriate for me to do so at this stage. In summary, the issue hasn't yet reached deadlock.

UKI's agreed, as a compromise, to consider the issue after mitigation works to the house are complete. It will check the drain levels, as requested by Mrs K's engineer. It will then agree a suitable repair solution. As far as I'm aware Mrs K's engineer's happy with this approach.

Mrs K would like that process to begin alongside the house mitigation works. UKI's position is that the drain issue should be resolved after - in case the house works have an impact on the drains. I've no reason to think that's not a reasonable concern. So I'm not going to set a deadline for the drain investigation works. I do expect UKI to progress matters as quickly as reasonably possible.

I've considered Mrs K's request for further compensation for delay and poor claim handling. I've looked at related events or complaint points covered by the period from Spring 2022 until November 2022. The start date follows the period considered in Mrs K's previous complaint with this service. That complaint considered complaint points about poor service and delay up until around that point. The end date corresponds with the last complaint final response issued by UKI. This means it's had an opportunity to respond to Mrs K's concerns up to that date. For the upset caused in that period its paid £500 compensation.

I should also set out that, when considering compensation, I can only consider the impact of UKI's actions on Ms K herself – as she is the complainant. So for example I can't consider inconvenience or distress experienced personally by her representative.

UKI's accepted it failed to, at times, give the claim appropriate priority. It's also accepted its failed to respond to Mrs K's representative or provide updates. All of this is likely to have caused some avoidable delay to the claim – and ultimately to Mrs K being able to return to her home.

Mrs K's explained how she feels UKI failed to identify the causes of subsidence and so the correct path to a solution. She feels that, if it had taken the advice of her engineer earlier, matters would have reached a conclusion by now. I accept that may be possible, but the agreed work to the house seems to be broadly in line with UKI's original proposals.

In regard to the drains UKI's agreed, as a compromise, to further assessment as recommended by Mrs K's engineer. However, as far as I'm aware, his concerns about possible subsidence (and so need for additional mitigation) of the drains hasn't yet been confirmed.

In any event I accept UKI failed to progress the claim as effectively as it might have in the relevant period. This seems likely to have resulted in avoidable delay. The consequence of that will be to add to time Mrs K remains away from her home and in alternative accommodation. This will be particularly distressing and inconvenient for someone of her age and circumstances – even if UKI is funding it beyond the policy limits.

However, having taken everything into account I'm satisfied that UKI's offered a fair and reasonable amount of compensation for the period and complaint points considered here. I realise this will be disappointing for Mrs K but I'm not going to require it pay anything extra.

**My final decision**

For the reasons given above, I don't require U K Insurance Limited to do anything differently.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 20 February 2024.

Daniel Martin  
**Ombudsman**