

## **The complaint**

Ms B has complained about the way AXA Insurance UK Plc has handled a subsidence claim under her Home Insurance policy.

## **What happened**

The background to this complaint is well known to Miss B and AXA. In my decision, I'll focus mainly on giving the reasons for reaching the outcome that I have.

## **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.

Industry rules set out by the regulator (the Financial Conduct Authority) say insurers must handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules, and other industry guidance, into account when deciding what I think is fair and reasonable in the circumstances of Ms B's complaint.

- While I can understand Ms B's view regarding the inadequacy of the repairs carried out by AXA following her claim in 2005, I am not persuaded there is sufficient evidence that they were inadequate. Ms B's view in this regard mainly focuses on the comments of a surveyor appointed by AXA. He clearly did have reservations about the extent of the repairs carried out in 2005, in that he couldn't really understand why the piled raft did not extend to cover the rest of Ms B's house. But he stopped short of saying that this was due to faulty design.

And it is not disputed that the section of the house that wasn't underpinned has subsided. But I consider there is insufficient evidence for me to conclude that this only happened because the repairs carried out in 2005 weren't adequate for dealing with the subsidence and claim at that time.

I appreciate Ms B doesn't agree, but I do think it is possible that subsidence to one part of a house can cause damage to another part of it that has not subsided. I can see what Ms B has said about the damage in the study, but she didn't report any movement between 2009 and 2018 to the non-underpinned section of the house. I do of course appreciate Ms B has said this was because she didn't appreciate the significance of the cracks that appeared. But, like our investigator, I consider if these had been significant as would have been the case with subsidence, Ms B would have reported them. So while I can see what Ms B means about a crack in the study windowsill appearing between 2006 and 2009, I do not consider this in itself is enough for me to say there was subsidence to the non-underpinned section of the house soon after the repairs in 2005 and prior to 2018.

In summary, while I can fully understand Ms B's opinion, I do think the expert evidence supports the view that there was new subsidence in 2018 to the non-underpinned part of

her home and that AXA is therefore entitled to apply a separate excess to Ms B's claim for this.

- I agree with our investigator that there were some delays at a few points in AXA dealing with Ms B's most recent claim. And I agree a further £300 in compensation for distress and inconvenience is appropriate for this. AXA has agreed to pay this amount.
- I agree with our investigator that AXA is not responsible for the alleged loss of an insulation grant to Ms B. Even allowing for the delays on AXA's part, I agree further monitoring was required and repairs were never going to have been completed by the point Ms B applied for the grant.
- It seems AXA has agreed to an interim solution to make access to the property safe while the issue with the tiles at the front of Ms B's property is resolved. So it seems this part of Ms B's complaint is resolved. And I understand Ms B has raised a new complaint about matters after 26 October 2023 and she can let us know if she is unhappy with AXA's response on this.

In summary, while there is a great deal of evidence in this case and a number of associated issues, Ms B's main complaint and the focus of her response to our investigator's view was the application of an excess to her most recent claim for subsidence to the non-underpinned part of her home. And I've addressed why – on balance – I do think this is a new incidence of subsidence and that there is insufficient evidence to say that it occurred due to an inadequate repair by AXA in 2005. Therefore, I am satisfied AXA is entitled to deduct the subsidence excess in respect of this claim.

### **Putting things right**

I've decided to uphold Ms B's complaint in part and make AXA pay her a further £300 in compensation for distress and inconvenience if it has not done so already.

### **My final decision**

I uphold Ms B's complaint and order AXA Insurance UK Plc to pay her a further £300 in compensation for distress and inconvenience if it has not done so already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 27 February 2024.

Robert Short  
**Ombudsman**