

The complaint

Ms K complains about esure Insurance Limited's handling of a subsidence claim made under her buildings insurance policy.

Any reference to esure includes the actions of its agents.

What happened

Ms K holds buildings insurance cover with esure. She made a claim in December 2020 after noticing cracks in her home. The claim was assessed and esure thought the damage was due to subsidence. It arranged for site investigations to take place which found the subsidence had been caused by a combination of clay shrinkage from the roots of nearby trees, as well as defective drains (there were issues with drain runs A, B, C and D).

The trees were removed in September 2021, and repairs were carried out to all but one of the drain runs. Drain run D wasn't repaired as the contractor couldn't access the manhole cover, and it was thought the drain run was the responsibility of the local water company. Soon after, esure appointed a contractor to carry out repairs to Ms K's property. They produced a scope of works in March 2022. Repairs to the property began in June 2022 and were completed the following month.

Soon after, Ms K noticed cracks reappearing in the same walls that had been repaired, as well as blistered paintwork. She wasn't sure if there was ongoing movement or if the repairs had failed. She then found out that esure hadn't carried out monitoring to check that the cause of the movement had been addressed following the removal of the trees and the drain repairs and raised her concerns about this with esure.

Following this, esure visited the property and said there was no sign of subsidence, and thought the cracks were due to thermal movement.

Ms K complained to esure that she hadn't received a response to her concerns about the lack of monitoring. In February 2023, esure issued a final response on the complaint. It apologised for the length of time it had taken for monitoring to be arranged after Ms K had requested this, and that she had to chase responses on this. It offered her £150 compensation.

In March 2023, esure started level monitoring. It took three readings between March and June 2023 and concluded there was no further subsidence.

Ms K later complained to esure about its handling of the claim, and so esure issued a further final response in August 2023. It said her property wasn't subject to subsidence movement, which had been confirmed in the monitoring readings.

In January 2024, esure agreed to carry out a repair to drain run D as it had been established that this wasn't the water company's responsibility after all.

Our investigator considered a complaint brought to this service by Ms K. She thought that esure should have established that drain run D wasn't the water company's responsibility sooner than it did, so that the repairs to this drain run could have been completed much earlier. She recommended that esure complete the repairs to drain run D, and arrange a period of monitoring after this to ensure there was no progressive movement. She also thought esure needed to carry out an effective and lasting repair. She further said that esure should share any warranties and the scope of works with Ms K. Finally, she recommended that esure pay Ms K £1,000 compensation for the delays.

Whilst esure accepted that repairs needed to be done to drain run D as already agreed, and that the final scope of works should be provided to Ms K, it didn't agree with the rest of our investigator's recommendations.

In October 2024, esure arranged for its contractor to complete the repairs to the drains.

As the parties couldn't reach an informal resolution to the complaint, the matter has been passed to me for a 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.

Ms K brought her complaint to this service in February 2024, so I've only considered matters that were addressed in esure's final response of August 2023. I haven't considered matters from esure's earlier final response of February 2023 (the length of time it took esure to arrange monitoring after Ms K requested this), as Ms K didn't bring a complaint to this service about that matter in time.

In the arborist's report to esure, they made recommendations to remove the nearby trees causing the subsidence. They also recommended that following this, the property be monitored to establish the effectiveness of the tree removal on the stability of the property.

Once an insurer has removed a probable cause of subsidence to a property, I would usually expect monitoring to take place to ensure there's no further signs of progressive movement to the property before repairs are done. I think it was particularly important for esure to have carried out monitoring here, given that it was aware that not all of the defective drains had been repaired.

I see on the claims file that esure had noted that monitoring needed to take place after it had received a response from Ms K's neighbour regarding the removal of the nearby trees. So it's not clear to me why esure arranged for repairs to take place without carrying out any monitoring.

I think esure's failure to carry out monitoring when it should have done has caused Ms K a great deal of unnecessary worry. Within two months of the repairs being completed, she noticed new cracks, including in areas which had been repaired. I appreciate that esure is of the view that these cracks aren't subsidence related, and they may not be, but if monitoring had been carried out before the repairs, then this would have provided Ms K with reassurance that the cause of the previous subsidence had been addressed (if that was the case).

However, I'm not convinced that esure has shown there wasn't any ongoing subsidence at the property after the repairs were completed. I'll explain why.

When esure's contractors attended the property to carry out the repairs in June 2022, they found more cracks at the property requiring repairs than had been included in the scope of works. This alone might indicate that there had been further movement after the trees had been removed and drains repaired.

Ms K then returned from holiday around six weeks after the repairs had been completed and found a number of new cracks and peeling paintwork, including in areas where the repairs had been done. She also later found her front door wouldn't close properly and had to have this adjusted. Again, this could all be a sign of progressive movement.

When esure became aware in January 2024 that the water company wasn't responsible for drain run D, it arranged for a further drain survey to take place in April 2024. This showed that, despite previous repairs taking place on drain run C, there was still structural damage to it that required repairs. This suggests the previous repair to that drain run had failed. Also, there was still structural damage to drain run D, as no repairs had been done to it at all.

We know that a contributing factor for the subsidence damage at Ms K's property was thought to be the defective drains, and we know that these were still defective after the repairs had been completed.

The level monitoring took place over a three-month period between March and June 2023. I note esure says the readings don't show subsidence. However, it seems to me that the monitoring ought to have taken place over a longer period for there to be sufficient data to make conclusions about this. I understand esure had intended to do this, but its subsidence specialist told it to stop all action on the claim as he thought the cracks were all longstanding, thermal and seasonal.

When Ms K initially reported her claim in December 2020, esure visited the property for an inspection. On its claims file, it didn't note any uninsured damage. If there had been longstanding cracks in the property that were unrelated to subsidence, I would have expected this to have been recorded.

Taking everything into account, I don't think esure has done enough here. If there was ongoing subsidence after the repairs took place, hopefully the drain repairs that have recently taken place have resolved this. However, I think esure should arrange an appropriate period of level monitoring to ensure this is the case (I would suggest six months).

Once it's been established there's no further subsidence, esure should return to the property and repair the crack damage that has appeared since the repairs. Whilst those cracks may well have been caused by thermal or seasonal movement, as esure didn't carry out monitoring for a sufficient length of time, we can't be sure either way. Ms K also says there's peeling paint where repairs previously took place. I note esure thought the moisture from the defective drains could have caused the paintwork to blister and peel, though it has since said the defective drains were in a different area of the property to the affected paintwork. Either way, if this has happened since the repairs were completed, then I think esure should put it right, because if it wasn't caused by moisture from the drains, it may well have been poor workmanship.

There's also an issue with the repair carried out to a wall in Ms K's daughter's bedroom. Ms K says that esure's contractors took the wall back to the brickwork and then replastered it. The plaster has debonded, which isn't in dispute. However, esure says the wall wasn't taken back to the brickwork during its repairs, and the only repair that took place to that wall was some filling and over-skimming, which was for decorative purposes.

Ms K has provided a copy of a text message from the contractor, which refers to coating the fresh plaster in this room. I can't be certain if this was referring to the wall in question, but it does seem to support Ms K's recollections that replastering took place. On balance, I'm minded to accept Ms K's explanation that the wall in question was replastered, and so esure should put this right. It doesn't need to wait for the monitoring to be completed before undertaking this repair.

Ms K has asked esure for a copy of any warranties and the final scope of works. I understand she particularly wanted warranties from the drainage repairs as she wasn't convinced that these had been done properly (we now know of course that she was correct, at least in respect of drain run C). If there are warranties available, then esure should provide these to her.

We have a copy of the scope of works from March 2022, and I understand Ms K has been provided with this. However, she says she wants the final scope of works. That's because there were changes made to the original scope after the contractors attended the property for repairs in June 2022. However, there may not be an amended scope of works if the changes were verbally agreed between the contractors and esure. Though if esure has an amended scope of works, it should provide this to Ms K.

As I've said, I think Ms K has been caused a great deal of inconvenience due to esure's handling of this claim. It's been ongoing for far longer than it ought to have been, and Ms K has explained how upset and stressed she's felt throughout the whole process. In these circumstances, I agree with our investigator that £1,000 compensation ought to be paid to recognise the significant impact to her.

My final decision

My final decision is that I uphold this complaint. I require esure Insurance Limited to do the following:

- Carry out level monitoring for a period of six months, and if subsidence is found it should deal with this.
- Once it has been confirmed there's no further subsidence, it should repair the cracks and peeling paint that have appeared since the repairs were completed.
- Repair the wall where the plaster has de-bonded.
- Provide Ms K with any warranties for repairs that are available.
- Provide Ms K with the final scope of works, if it has this.
- Pay Ms K £1,000 compensation.*

*The compensation must be paid by esure within 28 days of the date on which we tell it Ms K accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms K to accept or reject my decision before 12 March 2025.

Chantelle Hurn-Ryan
Ombudsman