

The complaint

Ms H complains U K Insurance Limited (UKI) has caused significant delays in progressing a claim made under her buildings insurance policy for subsidence.

Any references to UKI include its agents.

What happened

In June 2018, Ms H noticed there was cracking to the brickwork at the front of her house. She contacted UKI who asked her to obtain a report from a structural engineer. Ms H did this and in October 2018, UKI began their investigations.

It was determined the cause of the subsidence was two trees in a neighbouring garden owned by the local authority. UKI applied to have the trees felled but these requests were declined. In late 2022 a root barrier was installed and in April 2023 scaffolding was put up to enable the remainder of the repairs to be carried out.

During the remainder of 2023, Ms H asked UKI for several updates and for a schedule of works so she could understand what further repairs were required and when these were to be carried out. But Ms H didn't receive this. Ms H also repeated concerns she had previously mentioned about the condition of the roof. UKI initially said the damage was roof spread and would be covered as part of the claim, but later UKI said the policy didn't provide cover for roof spread as it had occurred gradually, and therefore was excluded under the policy.

Unhappy with UKI's handling of the claim, Ms H complained. UKI issued a final response letter in June 2024, saying they recognised their handling of the claim had fallen below the level expected and offered £3,800 compensation. This was paid into Ms H's account. Our investigator said UKI had fairly declined the claim for roof damage as it wasn't covered by the policy. She considered the compensation offered reflected the substantial impact UKI's handling of the complaint had on Ms H.

Ms H didn't agree. She said the roof damage was a side issue, but the crux of her complaint was that there had been no progress in carrying out the repairs caused by the subsidence. Our investigator considered these further points but felt the compensation offered was appropriate in the circumstances. So, this case has been passed to me to decide.

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.

First, I'd like to reassure both sides that while I've summarised the background to this complaint and submissions to us, I've carefully considered all that's been said and sent. In this decision though, I haven't commented on each point that's been made and nor do our rules require me to do so. Instead, I've focused on what I consider are the key issues. However, I think it's also helpful to say it's not for this Service to set out to either side what

repairs need to be carried out on Ms H's property. My role is to decide if UKI have handled Ms H's claim fairly.

I've considered the same timeframe as our investigator did, this being from when the claim was made in October 2018 until the final response letter was issued in June 2024.

Ms H says she wants a clear update on what steps will happen next, and she's asked for this multiple times. I consider UKI have had sufficient time to provide this to Ms H and her requests for this information are reasonable. Within one month from the date of this decision, UKI should provide Ms H with a clear update on what repairs will be undertaken at Ms H's property and when these are expected to begin.

In her response to our investigator's conclusions, Ms H said she was waiting for UKI to provide her with documentation which set out why the roof spread wasn't covered by her policy. Though I note this has been detailed in the final response letter, which we've sent Ms H a copy of, so I'm satisfied she's seen this.

The starting principle for insurance claims is a policyholder needs to show the damage they've claiming for is covered by an insured event. It's accepted Ms H's property is damaged by subsidence, demonstrated by reports from the loss adjuster and arboriculturist.

However, the same can't be said about the damage to the roof. The structural engineer appointed by Ms H identified a number of potential causes for the damage to the property. I can't see it's been determined the damage to the roof and cracking higher up the property has been caused by an insured event. It follows I'm not persuaded that UKI has unfairly declined this part of the claim. Though if Ms H can show the damage to the roof was caused by an insured event, she can present this evidence to UKI to consider.

It's not in dispute the claim has been poorly handled. I accept that some periods of delay have been beyond UKI's control – such as waiting for responses from the local authority in relation to the request to have the trees felled. However, there have been significant avoidable delays, a lack of communication and replies to Ms H's reasonable requests for updates. Ms H has also talked about how impactful it is to have had scaffolding erected at her home in April 2023 with no clear plan for repairs to the damage caused by subsidence.

There has been significant disruption to Ms H's home life and uncertainty in relation to what repairs would be covered by the policy and which ones she may need to arrange privately. And this matter has been ongoing for several years and it's simply not clear why Ms H wasn't told what remaining repairs were needed and why those covered by the policy weren't progressed after the root barrier was installed in December 2022. Ms H has expressed concern that the delay to starting some of repairs may mean they need to be more invasive. It's not possible to know if this is the case now, but Ms H will be able to make a further complaint to UKI if she can provide evidence of this when repairs are carried out.

However, it's clear UKI recognises its handling of this claim has not been acceptable. When considering the impact this matter has had on Ms H, I'm satisfied the award of £3,800 is appropriate in the circumstances to reflect the uncertainty, distress and inconvenience caused by UKI's poor handling of this claim, including avoidable delays, up to the point UKI issued its final response letter.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or

reject my decision before 31 March 2025.

Emma Hawkins
Ombudsman