

## **The complaint**

Mr S and Mrs S complain that U K Insurance Limited trading as Direct Line, has failed to settle a claim made on their buildings insurance policy fairly. They feel UKI is failing to confirm that the work completed on their property has satisfied the direction of a previous final decision on this matter.

## **What happened**

Mr and Mrs S have brought a number of complaints to this Service about the actions of UKI and how it handled a claim made in relation to damage caused to their home by subsidence.

A decision was issued on UKI's claim outcome where it declined to cover the damage to a retaining wall at the property. My ombudsman colleague decided UKI had been fair and reasonable with its handling of the claim and decision not to provide cover for the wall, based on the evidence provided at the time.

Another decision was issued on a later complaint brought by Mr and Mrs S. The ombudsman felt the complaint raised was the same issue as had previously been considered in the earlier decision and it was dismissed without consideration of its merits.

Following this, Mr and Mrs S raised a further complaint. This focused on the decision Of UKI and that it continued to decline any cover for the damage to the retaining wall under the subsidence claim. And Mr and Mrs S complained that the decision taken by UKI to cash settle the claim was unfair.

My ombudsman colleague decided that the complaint about the refusal to provide cover for the retaining wall should be dismissed. They didn't agree the new information provided would likely change the outcome our service had already reached.

A separate decision was issued on the complaint issue they felt was new and had not been considered by us previously – whether UKI was acting fairly when settling the claim with a cash settlement. They didn't uphold the complaint and they decided UKI had acted fairly and reasonably when cash settling the claim.

Mr and Mrs S now complain that UKI has failed to comply with the directions of previous decisions and provide them with confirmation that all repair works had been completed to the property. This is impacting their ability to sell their house and affecting the likely sale price achievable.

Mr and Mrs S also said they had new evidence which supported their opinion on the decision to decline the cover for the damage to the retaining wall and this being unfair.

Our investigator looked at this complaint and said they couldn't comment on the outcome of the previous complaints considered by this Service. But they could consider the new evidence provided and whether UKI was treating Mr and Mrs S unfairly now with the information it was providing in response to their requests.

They said the new information provided didn't negate what was said in the previous final decision and the recommendation made by the engineer, to continue to monitor the property now and determine if it was stable was fair and reasonable. They also noted this is in line with the ombudsman's previous decision and if the monitoring demonstrated movement, she would expect UKI to consider this in line with the policy terms.

Our investigator didn't think UKI or its actions now, showed it was treating Mr and Mrs S unfairly. She understood selling the property could be difficult because of the previous subsidence claim. However, decisions had been issued previously on the actions undertaken by UKI and these couldn't be revisited. And she didn't think UKI had refused to provide anything to Mr and Mrs S or that it needed to do anything else.

Mr and Mrs S disagreed with our investigator's findings. They felt it was clear the evidence now provided showed UKI had acted unfairly when failing to provide cover for the damaged wall. Its actions were resulting in the house price being affected and it had failed to provide them with confirmation that no work is required to the retaining wall. They feel this demonstrates they know work is required and the previous claim decision was wrong and unfair.

Mr and Mrs S also said they felt they should be refunded the cost of the fees they had paid for consultant reports. They said they had been appointed because they believed the engineers reports relied on by UKI were wrong and now UKI's appointed engineers have said a mistake was made, it is fair these fees are refunded.

Our investigator didn't provide a response and the case was placed in the queue for decision.

I issued two provisional decisions on this complaint, setting out why I felt some of the complaint points brought to us should be dismissed. I also explained that I wasn't planning on upholding the complaint points I felt could be considered. Below is what I set out on the complaint issues I said I would consider.

*"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

*I'm planning on not upholding Mr and Mrs S's complaint about the actions of UKI now and have issued a separate provisional decision, setting out which elements of their complaint I feel cannot be considered here and should be dismissed.*

*Mr and Mrs S have complained that UKI has failed to provide them with information to confirm no work is required to the retaining wall and this is impacting their ability to sell their property.*

*Mr and Mrs S feel the certificate provided by UKI to confirm the property is structurally stable is not fit for purpose as it fails to confirm the retaining wall requires no work.*

*Although it is not disputed that the condition of the wall is poor and there is visible damage which will likely be a consideration to potential buyers. I don't think UKI has done anything wrong when it has refused to confirm this is structurally sound. As was set out by my ombudsman colleague previously, the retaining wall and work required to this is not something which forms part of the claim.*

*So while Mr and Mrs S may continue to dispute this fact and feel it should be included, for the reasons I've set out in my other provisional decision, I don't think it is right that this Service considers the merits of this complaint again. And with the wall not being part of the*

*claim covered by UKI, it has not acted unfairly when refusing to provide any guarantee over this.*

*Mr and Mrs S have chosen to provide and fund their own independent engineer reports on the cause of damage. This is something they are entitled to do, but I don't think UKI needs to reimburse them of these costs now. I've set out in my linked decision, that I don't think the new evidence provided would likely change the outcome of the complaints previously dealt with and based on this, I see no reason to ask UKI to refund these costs.*

*And while there is visible damage to the retaining wall at the property and it could be these affects the sale price of the house; it hasn't been shown this is the result of an insured event. In the absence of this, I wouldn't expect UKI to provide any reassurance over the structural stability of the wall. Nor do I think it can be said that its refusals to provide this, can be taken as acceptance of an insured event being the cause of the damage.*

*I'm sorry to see how this claim is still causing Mr and Mrs S issues. It may well be the previous subsidence is impacting the saleability of the house now. But I cannot say UKI has done anything wrong when dealing with their recent requests for assistance."*

### **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.

With no further comments on what I set out in my provisional decision to this complaint, I see no reason to depart from what I said previously.

I don't think UKI has acted unfairly when providing Mr and Mrs S with the information it has in relation to repair works needed and the certificate of structural adequacy.

Mr and Mrs S decided to source their own independent engineer reports and at the time, asked UKI if the cost of these could be reimbursed and this was dealt with by it in a final response in 2021.

I appreciate they feel information has changed which they believe supports the opinion of these reports and it would be fair for UKI to now cover the cost of these, but I don't agree this is the case. I don't think it can be said at this point that the approach taken by UKI to settle the claim as it did previously has been shown to be unfair. Or that the reports provided by Mr and Mrs S conclusively show UKI did anything wrong previously. So it would not be fair to ask UKI to cover the costs of the reports they had completed.

With the damage to the retaining wall being visible, the sale price of Mr and Mrs S's property may be affected. However, I've not been persuaded that UKI is responsible to put right this damage as an insured loss. And the reasons for this have been dealt with by this Service through several different decisions and my linked decision explains why I don't think it is right this is considered again.

### **My final decision**

For the reasons I've set out above, I don't uphold Mr S and Mrs S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S and Mrs S to accept or reject my decision before 11 June 2025.

Thomas Brissenden  
**Ombudsman**