

The complaint

Mrs E, Mr H, Mr L and Mr S complain about Allianz Insurance Plc's handling of a subsidence claim.

Allianz's been represented by an agent for the claim. For ease of reading, I've referred to the actions of the agent as being Allianz's own. Mr L owns the freehold of the insured property. Mr H, Mrs E and Mr S are leaseholders. All four are complainants, but as Mr H has been the main correspondent and for ease of reading, I've generally only referred to him.

What happened

Mr H made a claim for subsidence damage against an Allianz property owners policy. Allianz appointed a loss adjuster to deal with the claim. Investigations found third-party owned trees to be responsible for the subsidence. Allianz's arborist recommended they be removed. The third-party refused Allianz's removal request, instead agreeing only to pollarding. Allianz said it would, if monitoring after pollarding showed stability, arrange for superstructure repairs.

Mr H wasn't satisfied with the proposed works, so raised a complaint. He said as trees aren't being removed the works won't be effective. He wanted Allianz to agree to underpin the property. He said that's the only effective solution to prevent ongoing subsidence.

Allianz issued a complaint response. It said it was satisfied, considering limited movement in recent monitoring, that its proposed superstructure repair would provide a lasting repair, even if the third-party failed to pollard the trees. It explained once the trees had been pollarded it would assess for a suitable robust repair scheme. Allianz also apologised for some poor communication, offering £250 compensation.

Unsatisfied with that outcome, Mr H asked the Financial Ombudsman Service to consider the complaint. In October 2024 our Investigator assessed the complaint. He felt Allianz had acted fairly and reasonably. He said he hadn't seen any expert opinion to persuade him it's proposed approach would be ineffective. So he didn't ask Allianz to underpin the property, install a root barrier, amend its repair plans or do anything else differently. As Mr H didn't accept that proposed outcome the complaint was passed to me to decide. He still considered underpinning to be necessary.

Since that October 2024 assessment, as result of more recent monitoring demonstrating ongoing movement, Zurich reviewed the claim. In January 2025, it said it will pursue the third-party to remove the tree to the front of the property. In March 2025 they were pollarded.

In early May 2025 Allianz said it would instruct contractors to either underpin, install a root barrier or geobear scheme to protect the property from the trees. In late May 2025 it explained to this Service that its technical consultant will review the claim and confirm the stabilisation scheme required. It noted that an engineering scheme may not be required following the pollarding.

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 Mr H and Allianz 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 pleased to see Mr H considers the claim has, in recent months, been moving in the right direction. However, he's still concerned the third-party won't regularly pollard the trees, that Allianz hasn't provided underpinning or repaired the subsidence damage.

I've considered all of his, and the other complainants', concerns. However, I'm satisfied Allianz is dealing the claim in a fair and reasonable way. So, I'm not going to interfere, for example by directing it to undertake specific mitigation works.

Allianz has accepted there's ongoing movement. It said it will review the claim and decide what stabilisation scheme might be required. I haven't been provided with any expert evidence to persuade me underpinning, or any other particular solution, would be most appropriate.

So it seems best, in the circumstances, to allow Allianz to decide what it considers will provide for a lasting and effective repair. Whichever approach it decides on I expect it to provide the complainants with its reasons and an opportunity to provide their thoughts or concerns.

I'm satisfied Allianz has made reasonable efforts to arrange for the trees to be removed. Unfortunately, the third-party owner hasn't agreed to do so. Allianz has said it will place the third-party on notice of future risk to advise it maintains the trees on a regular basis to avoid any potential future liability. That seems a reasonable approach.

It's reasonable, and in line with the usual approach to subsidence, that repairs haven't been completed before there's satisfactory evidence of stability. I realise this claim has been going on for a long time, but as Allianz has explained claims involving third-party owned trees often can take time to resolve. Overall, I'm satisfied Allianz has progressed the claim in a reasonable way, including in its efforts at recovery of claim costs and its responses to the complainants' concerns.

My final decision

For the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs E, Mr H, Mr L and Mr S to accept or reject my decision before 1 July 2025.

Daniel Martin
Ombudsman