

The complaint

Ms U and Miss U complain that AXA Insurance UK Plc has unfairly handled a claim made on their buildings insurance policy for subsidence.

They don't think AXA has handled the claim fairly with poor communication and delays. And AXA has unfairly refused to engage a structural engineer to assess the buildings integrity or provide any indemnity insurance.

What happened

This claim has been ongoing since May 2022 and the background is known to both sides, so I've not set this out in detail.

Miss U has taken the lead on this claim and the communication with AXA, so for ease of reference, I'll mainly refer to Miss U only in my decision.

Miss U doesn't think AXA has done what it needs to with this claim. She thinks it has failed to appoint a structural engineer to assess the property. In the absence of this, she doesn't think her property is stable and she appointed her own structural engineer to assess the property at her own cost. She feels this demonstrates the property is not stable and it has provided a different cause of damage for the subsidence and recommendation to put things right.

AXA responded to Miss U's concerns about the appointment of a structural engineer. It said it doesn't believe it is necessary to appoint a structural engineer. Its appointed agent is a specialist in ground movement and subsidence and it has delegated authority to make decisions on the claim and the work required. Its agent was happy the property was stable based on its previous monitoring and it had proposed a schedule of works to complete the internal and external repairs.

AXA thought there had been some failings with the communication of their appointed agent and the information it provided about the surveyor attending and their qualifications. This will have caused some frustration and upset and it felt this should be recognised.

It also felt there had been delays added when it didn't respond to Miss U and her engineers report sooner. This has been provided by Miss U on 1 November 2024 but when it issued its final response on 3 December 2024, an answer still hadn't been provided on whether this changed its position on the claim and work required.

To recognise the delays with the report being considered and the mis-leading information provided by AXA's agent about their surveyor's qualifications, it made a payment of £250.

Our investigator looked at this complaint and confirmed they could only consider the complaint points dealt with by AXA in its final response sent on 3 December 2024. Any other issues would need to be raised as separate issues and could be considered by us if Miss U was unhappy with any response from AXA.

Overall, they didn't think AXA needed to do anything else. Claims of this nature can often take a long time to reach a conclusion, and on the whole, the claim appeared to have been progressed as it should have been.

They didn't think the claim decision made by AXA was unreasonable and the award it had made for the issues it identified in its final response was fair and reasonable and in line with this Services approach to complaints of this nature.

Miss U disagreed with the outcome reached. She didn't think our investigator had taken account of the engineers report she had provided. And AXA's monitoring data confirmed there was progressive movement and she felt this supported her engineers report and findings. She still felt AXA's agent was not suitably qualified and provided no indemnity cover and her evidence supports there are valid structural concerns.

She also felt AXA had added delays to the claim journey when it had repeatedly failed to acknowledge or provide answers to her structural concerns. So, the compensation of £250 is not sufficient for the additional expense and stress that had been caused. Miss U asked that AXA complete the remedial work set out by her engineer, refund her the cost she incurred when appointing her engineer and pay fair compensation to reflect the time, expense and distress the claim had caused.

Our investigator responded to say their view remained unchanged. They felt AXA was fair to rely on the opinion of its agent. They didn't think it had acted unreasonably when, based on this, it offered to move the claim to the repair stage.

They said, AXA had agreed with the findings of Miss U's reports and the foundations of the property potentially being inadequate. However, When the final response was issued in December 2024 there was no indication to show the actions taken by AXA were unreasonable based on what it proposed in April 2024. There was some movement noted in the monitoring reports but this was within the range of what was considered normal movement and so when AXA proposed moving to the repair stage, it was progressing the claim fairly.

Miss U maintained that she did not agree with our investigator and the complaint was referred for 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.

I've decided not to uphold this complaint, for much the same reasons as our investigator. I know Miss U will be disappointed by this, but I'll explain why I don't think AXA needs to do anything else.

It is important to set out, as our investigator did at the start of their view on this complaint, that I am only considering what AXA did up until the point it issued its final response on 3 December 2024. I cannot consider anything after this point and if Miss U is unhappy with subsequent decisions made by AXA, she will need to raise her concerns about these with it. But where AXA has provided comments on things like the engineer report provided by Miss U in reference to its position on this complaint, I have taken this into consideration.

Miss U is concerned that AXA is not appointing a suitably qualified expert to assess the damage to her property. I understand why, Miss U is worried about the suitably qualified experts being appointed and it's reasonable to have this concern. But AXA, as the insurer is

responsible for settling claims raised and is able to appoint agents it feels are suitably qualified to do this. The agent it has used is a specialist in ground movement and I don't think AXA has been unreasonable when appointing and relying on this expert when handling the claim.

AXA will, if required, appoint structural engineers when it feels there is need to do so. Often this is when structural repairs are going to be needed, based on the issues identified. But in this case, AXA didn't think this was needed as it was happy the previous repairs it completed had been successful and the property was stable. So, it was able to move the claim from the monitoring stage to the repair stage with a schedule of works produced.

AXA has said it doesn't necessarily disagree with the opinion of Miss U's engineer that the foundation of the property is not adequate. But it feels the monitoring reports provided speak for themselves with the data on the stability of the property now. Which it feels show the property to be stable after the repairs were completed to the drains.

In April 2024, after monitoring had been completed on the property for the 10 months previously, AXA's agent wrote to confirm the property showed "*no significant ongoing subsidence movement*". It was satisfied based on this, that stability had been demonstrated and the repairs to the building could be undertaken.

I think AXA has acted fairly when assessing the property and determining whether there was ongoing movement. It monitored the property for almost a year after the drainage repairs were completed. And although this shows some movement, its finding that there is no significant ongoing movement is reasonable based on the data.

Miss U's engineers report does not reference the levels of movement recorded in the property and the data recorded. It simply makes reference to monitoring having been in place and there being visible cracks opening with previous re-pointing repairs. But it doesn't highlight the details of the monitoring report data or why, when this is now showing no significant movement, that the property is not now stable.

Overall, I don't think AXA has done anything wrong when it said in April 2024, that the property was stable to now move to repairs of the building. And there is nothing to indicate the experts relied on were not suitably qualified and AXA was fair to rely on the opinion provided.

This claim has been ongoing for a number of years and unfortunately with claims of this nature, it can take a long time for things to be resolved. This is the case here with repairs needed to the property and monitoring to be undertaken before any final superstructure repairs can be completed. However, I think things have broadly been progressed as they should have.

There has been some confusion and distress added when AXA's agent was not clear about the surveyor attending Miss U's property. And with Miss U's concerns being around the adequacy of the repair work and whether the property is now stable, the delay in AXA providing a response to her engineer's report will have added to this. But I think the £250 paid by AXA in recognition of this is fair and reasonable.

I think it made a fair claim decision in April 2024 when showing it wanted to move the claim to the final repair stage and this didn't happen because of Miss U's concerns about the work. But as I've set out above, I think AXA acted fairly when reaching this conclusion and the delay added when this has been disputed does not demonstrate a failing on AXA's part.

I appreciate that Miss U will be disappointed by my outcome here and that AXA does not

need to do anything else. She has incurred costs in appointing her engineer and having her report completed. I understand why she wanted to do this but the cost of this is not something I think AXA need to cover now.

My final decision

For the reasons I've set out above, I don't uphold Ms U and Miss U's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms U and Miss U to accept or reject my decision before 23 April 2025.

Thomas Brissenden
Ombudsman