

The complaint

Ms B and Mr H are complaining about the way China Taiping Insurance (UK) Co Ltd ('CTI') has handled a claim they made on their buildings insurance policy.

What happened

In 2019 Ms B and Mr H noticed damage arising on their property as a result of subsidence. So they contacted CTI to claim for the damage against their buildings insurance policy. In April 2022 Ms B and Mr H raised a complaint about the way CTI was handling their claim. In particular they were unhappy with the following:

- They were unhappy with what CTI wanted to set out as the scope of works;
- CTI wouldn't allow them to appoint their own surveyor and loss assessor under the policy; and
- CTI removed subsidence cover from their policy.

In June 2024 CTI responded to the complaint not upholding it.

This Service didn't uphold Ms B and Mr H's complaints about the handling of the claim. But said it wasn't fair for it to remove subsidence cover.

In April 2024, Ms B and Mr H contacted CTI to say the repairs were completed and submitted the repair costs (around £46,000) and asked CTI to refund them. CTI said this was the first it had materially heard from Ms B and Mr H since 2022. And it highlighted it had emailed them in December 2023 asking for an update on the claim and to look to progress it. But it said they didn't reply.

CTI didn't believe the majority of the works Ms B and Mr H had carried out were necessary. It said its surveyor had concluded the subsidence had caused minimal structural damage. It had placed an initial reserve of £12,000 on the claim. But it said it would pay £16,000 less the excess of £1,000.

Ms B and Mr H didn't agree. They said CTI hadn't engaged with them for around two years, so they didn't think it was unreasonable they'd had the works carried out themselves. They maintained the property needed the works they'd had carried out. They said CTI had inferred they'd had some pre-existing works carried out, which they disputed. They acknowledged this Service had previously said CTI didn't need to pay for them to appoint an expert to report and oversee the claim. But they thought the further evidence they'd provided meant it should now pay the costs.

Our Investigator didn't uphold this complaint. She didn't think Ms B and Mr H had provided any new reports other than the ones that had been made before the previous complaint. She said CTI's initial conclusions were based on extensive site investigations and monitoring period. She didn't think Ms B and Mr H had provided any detailed expert reports which outlines their assessment of the damage and the works required to put it right. So she wasn't persuaded CTI's settlement was insufficient to rectify the issues arising from the subsidence subject to this claim.

The Investigator also noted that there were pre-existing issues with the property. And she said Ms B and Mr H needed to evidence that the works they'd carried out weren't inclusive of some of the pre-existing work.

Ms B and Mr H didn't agree with the Investigator. They thought the Investigator had overlooked all the evidence they'd provided. They maintained CTI could and should have been pursuing the claim, but it had ignored them for two years. They disputed that they'd had pre-existing works carried out as part of these works and said they'd had the pre-existing works carried out when they first bought the property.

They said they'd provided several hundred photographs taken before and during the works and set out these pictures evidenced the subsidence damage and the repairs in progress. They said every item of work was specified by a chartered building surveyor who oversaw the contract at every stage through its process.

As Ms B and Mr H didn't agree with the Investigator, the complaint's 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.

I've decided to not uphold this complaint and I'll now explain why.

I should first set out that I acknowledge I've summarised Ms B and Mr H's complaint in a lot less detail than they've presented it. Ms B and Mr H have raised a number of reasons about why they're unhappy with the way CTI has handled this matter. I've not commented on each and every point they've raised. Instead I've focussed on what I consider to be the key points I need to think about. I don't mean any discourtesy by this, but it simply reflects the informal nature of this Service. I assure Ms B, Mr H and CTI, however, that I have read and considered everything they've provided.

I also need to set out that another ombudsman has already considered CTI's handling of this claim before June 2022. So I'm unable to comment on anything the ombudsman has already considered. This decision focusses on CTI's handling of the claim since June 2022 – in particular, its decision to only pay £15,000 of Ms B and Mr H's claim for around £46,000.

In this case, Ms B and Mr H had all the repair works carried out without consulting CTI beforehand. They've set out they obtained three tenders for repairs and chose the cheapest one. However, they've advised they didn't send these to CTI beforehand. They've said they sent them to this Service at the time so assumed CTI would have seen them. But this Service doesn't handle the claim on individual's behalf. It was for them to send these quotes to CTI to have the costs authorised *before* the works commenced.

Ms B and Mr H have said they had to do the works themselves because CTI didn't contact them or provide any settlement figures of schedule of works. But I don't agree. I can see in December 2021 CTI sent them a preliminary scope of works setting what it was and wasn't willing to cover in the claim – i.e. that it didn't believe there was material structural damage. And it asked Ms B and Mr H to provide their comments on this. I've also seen that it chased them a number of times for a response to this. Thereafter, they raised a complaint with this Service. I can't say it was unreasonable for CTI to not pursue the matter further at this juncture given Ms B and Mr H's inactivity on the claim. Further to this I can see CTI also contacted them in December 2023 asking them to contact the loss adjuster to progress the claim. But they didn't do so until April 2024 when they submitted their repair costs.

Ultimately, it seems to me that CTI did look to engage with Ms B and Mr H to progress the claim, but the claim didn't progress because Ms B and Mr H didn't respond to its correspondence. So I haven't seen anything to show CTI acted unreasonably up to when Ms B and Mr H submitted their repair costs in April 2024.

I've now thought about whether it was fair for CTI to only paying £16,000 less the excess of £1,000.

It's clear the initial surveyor who inspected the property didn't believe there was much – if any – structural damage to the property. He set out the following in his report:

“The sooner the tree [the cause of the subsidence] is removed, the less damage is likely to occur this year. Providing it is removed by spring, only simple superstructure repairs should be required thereafter.”

After Ms B and Mr H presented their repair invoice, CTI referred the matter back to their appointed surveyor for his comment. And he said:

“In summary, this property has suffered substantial movement during its history and only minor recent movement.

The repairs that would have been required to rectify the recent movement would have been minimal, as detailed above.

It is my view that the cost of repairs that should have been met by the insurers would not have exceeded £12,000.”

CTI's surveyor's report included several photographs and based on what I've seen, I can't say it was unreasonable for CTI to say the property didn't need structural works carried out. I recognise Ms B and Mr H may have chosen to have extra structural works carried out, but they did so in knowledge that CTI disputed this and had said they weren't necessary.

CTI was looking to arrange repairs, but it was Ms B and Mr H's choice to use their own contractors. I wouldn't expect CTI to pay more than it would have cost it to carry out the repairs. And, crucially, I haven't seen anything to show that the works it wanted to carry out wouldn't have been successful in achieving effective and lasting repairs.

Ms B and Mr H have set out further issues arose which should be included – such as the damage to the locks. While that may or may not be the case, CTI has paid more than what its surveyor estimated the repair costs to be. So I can't reasonably require it to pay more than what it's already said it would.

Ms B and Mr H have reiterated that they believe CTI should cover their costs – i.e. surveyor and loss assessor fees. But, as I said, another ombudsman has already considered this. I note they've said the ombudsman only referred to whether CTI should pay the costs at that point. But, given the matter had moved on and they believe the evidence demonstrates that structural repairs were needed. They also said, given the technical nature of many of those repairs, it was reasonable to have them to appoint experts. But, as I said above, I don't think they've provided anything new to what they'd provided before. And, so, the ombudsman had already considered the information available. So I see no compelling reasons to consider this again.

My final decision

For the reasons I've set out above, it's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B and Mr H to accept or reject my decision before 26 August 2025.

Guy Mitchell
Ombudsman