

## The complaint

Mr P and Mrs P complain about U K Insurance Limited's handling of their subsidence claim.

## What happened

The background to this complaint is well known to both parties, so I'll provide only a brief summary here.

Mr P and Mrs P have home insurance underwritten by UKI. They've had long-standing issues with subsidence at their property, going back for around ten years.

Mr P and Mrs P have made several previous complaints to UKI about the handling of their claim. And they've brought some of those complaints to our service.

In short, the most recent complaint before the present one was resolved by UKI in November 2024. It appears at that point, UKI agreed to carry out what they called at the time "*snagging works*" to finally resolve the claim. It was agreed those works would begin in January 2025.

Mr P and Mrs P didn't bring that complaint (resolved in November 2024) to our service within six months of receiving UKI's final response.

It's clear that once the snagging works started in January 2025, things quickly became much more complex than UKI had anticipated.

In short, works to level the floors at the property were much more extensive than UKI originally expected – and involved the removal and reinstatement of the kitchen. It appears those works then led to an issue with some of the drains, which had to be re-routed.

Mr P and Mrs P complained again to UKI. UKI admitted that there had been delays in the works and that they'd underestimated the amount of work that needed to be done.

They apologised and, in light of the long-standing claim and multiple previous complaints, paid Mr P and Mrs P £1,000 in compensation for their trouble and upset. This was in addition to compensation paid on the previous complaints, which amounts to around £6,000.

Mr P and Mrs P weren't happy with this outcome and brought their complaint to us. They feel the compensation is insufficient given the trouble and upset they've been caused by UKI's failings.

Our investigator looked into it and didn't think UKI had done anything wrong. She thought the £1,000 compensation was fair and reasonable in all the circumstances.

Mr P and Mrs P disagreed and asked for a final decision from an ombudsman.

## 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 our investigator explained to Mr P and Mrs P, we can't look again at the previous complaints they've made to UKI.

We've already considered some of those complaints ourselves – and resolved them. So, we can't go back to look at them again.

Others – including the complaint UKI responded to in November 2024 - weren't brought to us within six months of UKI's final responses (as required by the statutory rules which govern how we operate). So, we can't look into the issues raised in those complaints.

In short, that means that in making this decision, I can only consider issues that have arisen after November 2024 - and which were raised with UKI in Mr P and Mrs P's most recent complaint.

It's important to set this out again because when Mr P and Mrs P's representative responded to our investigator's view – and disagreed with it - he appeared to refer back to the stress and inconvenience caused to Mr P and Mrs P over the course of the whole claim, going back for many years.

I am very sorry to hear about the problems Mr P and Mrs P have experienced over that very long period. The subsidence to their property has clearly had a profound impact on them.

And that has been exacerbated at times by UKI's poor handling of the claim – which is reflected in the compensation paid over that period in response to the numerous complaints Mr P and Mrs P have made.

However, the statutory rules allow us to consider, in this complaint, only the period between November 2024 and UKI's final response to this complaint in July 2025. That's approximately eight months.

At the beginning of that period, Mr P and Mrs P could have been forgiven for thinking that the "*snagging*" works would be reasonably non-intrusive and relatively quick to conclude.

UKI found further complications with the floors after the work commenced. But it's not unreasonable to say that the issues then discovered should have been apparent to UKI much earlier in their handling of the claim. And if so, this further period of intrusive works at the property would likely not have been necessary.

I'm aware that UKI have paid a disturbance allowance to Mr P and Mrs P to cover the periods of significant disruption. And I'm aware they have now fully identified the remaining issues with the flooring (and then the drains) and addressed them. (I know Mr P and Mrs P believe there is an issue with damp related to the subsidence and/or the works carried out by UKI and I'll address that below).

However, the fact that Mr P and Mrs P had a further eight months of disruptive repair work at their property is, almost wholly, the responsibility of UKI and/or their agents or contractors.

That's caused significant trouble and upset for Mr P and Mrs P. And their frustration and stress (in that eight month period) have been more significant because these latest issues follow on from several years of similar problems.

I also bear in mind that Mr P and Mrs P have, on occasion, had to chase UKI to extend the disturbance allowance payments.

So, in short, we have a period of around eight months (all that I can consider in this decision, as explained above) of significant distress, upset and concern for Mr P and Mrs P – all or almost all of which might have been avoided. And there has been serious disruption to their daily lives (partly mitigated by the disturbance allowance payments).

When I take all of that into account, I agree with our investigator that the £1,000 compensation paid by UKI is fair and reasonable in all the circumstances. And that it's in line with our published guidance on compensation for distress and inconvenience.

As regards the damp issues at the property, when these were raised by Mr P and Mrs P, UKI quite reasonably appointed a damp expert to carry out an assessment. Their view was that the damp issues were minor and not related to the subsidence or the works carried out by UKI's contractors.

It's not unreasonable for UKI to accept that expert assessment, in the absence of any other evidence or expert opinion to contradict it. As I understand it, UKI have advised Mr P and Mrs P that they'll be happy to consider any expert report Mr P and Mrs P may wish to obtain. And I'm satisfied that a fair response.

### **My final decision**

For the reasons set out above, I don't uphold M P and Mrs P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P and Mrs P to accept or reject my decision before 13 March 2026.

Neil Marshall  
**Ombudsman**