

The complaint

Mr K has complained about the service he's received from UK Insurance Limited trading as Direct Line Home Insurance ("UKI") following a subsidence claim.

References to UKI in this decision include its appointed agents and representatives.

What happened

The background to this complaint spans some years, and both parties are aware of the circumstances which led to the complaint, so I don't intend to repeat everything that's happened.

In summary, Mr K made a subsidence claim in 2020 when he noticed cracking to the garage walls at his property. Investigations into the cause of the subsidence were carried out, and UKI confirmed the cause was root-induced clay shrinkage due to moisture demand from adjacent vegetation.

An arborist was appointed to review the vegetation which needed to be removed, and following the removal of trees in August 2021, it was agreed that further monitoring would be done to ensure that mitigation had been successful and the property had stopped moving, despite the fact there were still some concerns over the remaining nearby vegetation.

Further movement occurred during the summer of 2022, but Mr K's neighbour refused to have their implicated trees removed. So costs for underpinning were considered. On receipt of those costs, solicitors approached Mr K's neighbour to see if these would change their mind regarding removal of the vegetation. Discussions continued about this during 2023.

Ultimately, in November 2023, the neighbour agreed to the removal of their vegetation and in December 2023 the implicated trees were removed. With that having been done, UKI no longer considered underpinning to be necessary, so it wasn't included in the updated repair schedule.

Mr K complained. He said the claim had taken far too long to resolve, and UKI hadn't dealt with the claim fairly or in a timely manner. He said the claim had been mismanaged, with UKI failing to identify all the structural damage, denying that some of it was covered by the policy, and that it hadn't properly identified the cause of the subsidence, or implemented a repair solution that would prevent repeated occurrences.

In its final response to Mr K's complaint, UKI said as there was still a difference of opinion, once Mr K had obtained his own expert report, UKI would look to have an independent engineer appointed to review the matter, in line with its dispute process. It accepted that it could've provided a better service and that there were some avoidable delays, so it offered Mr K £500 compensation for the impact of these.

Mr K obtained a professional opinion from a Chartered Building Surveyor in February 2025. This indicated that further investigations were necessary as movement hadn't stopped. The engineer confirmed that the flooring had dropped by approximately 30mm at the rear left

corner and this was cause for concern. He also recommended extensive work to strengthen the foundations including heli pile foundation repairs, as well as extensive superstructure repairs including repairs to the stonework wall and replacement of the concrete floor and floor lining.

UKI considered Mr K's expert report and said that whilst it acknowledged there was still movement, there were also some signs of recovery. It didn't agree that piling was required but it said it would carry out further monitoring or obtain an independent report.

Mr K didn't accept UKI's response to the report, so he referred his complaint to the Financial Ombudsman Service. Our Investigator considered the complaint and whilst he didn't agree that underpinning was needed at that stage, he did recommend UKI take further action to put things right for Mr K, including arranging further monitoring or an independent engineer's report at Mr K's request; ensuring that the repairs to the front of the garage were included within the schedule of works, or clearly explaining why it didn't consider the damage to that area to be subsidence-related; replacing the concrete slab garage floor; obtaining the arborist's comments in relation to outstanding vegetation; further investigating the cause of the driveway damage; reimbursing the cost of Mr K's expert's report with interest and paying Mr K additional compensation for the inconvenience caused.

UKI didn't accept our Investigator's recommendations. It said it would follow its dispute resolution process and appoint an independent engineer to review the claim. It also said the compensation it had offered was appropriate in the circumstances. Our Investigator then explained that UKI's response to Mr K's expert report hadn't been clear. UKI agreed to carry out further monitoring.

Crack and level monitoring was carried out in September 2025, and the results were sent to this Service. Both parties saw the results and had an opportunity to comment on them. While Mr K said they showed significant movement was still occurring, UKI said further readings were to be completed going forward and at this point it would be too soon for its engineer to comment or alter its position regarding the claim. As an agreement between the parties couldn't be reached, the complaint was referred to me for an Ombudsman's decision.

I issued my provisional decision on 12 November 2025. I've included an extract below:

"Mr K has complained about UKI's failure to stop the movement at the property, its omission of the driveway area and the area at the front of the garage from the schedule of works, its failure to properly deal with the issues with the garage floor, and the mismanagement of the claim generally, including delays in progressing the claim. I'll deal with each of these in turn.

Preventing ongoing movement

Whilst I accept Mr K wants to ensure his property doesn't move again in future, UKI isn't responsible for making sure the property never suffers from subsidence again. But it does need to make sure that any repairs carried out are lasting and effective. And I don't think UKI can complete an effective and lasting repair whilst the property is still moving. If superstructure repairs are carried out at this stage, before stabilisation of the property is achieved, I think it's most likely, based on the latest monitoring results, that the property will continue to move. So I'd expect UKI to stop the current movement before carrying out any superstructure repairs.

There's currently a difference of opinion about what needs to happen to stop the property moving for a reasonable period of time. UKI hasn't given its opinion following the last round of level and crack monitoring. But Mr K has – and he says the property is still showing significant signs of movement. I note Mr K has also said that he'd be content without the

property being underpinned, if stability of the ground was proven and levels returned to normal. I think that's a reasonable position to take.

But having considered the latest level monitoring results, it's clear stability hasn't been achieved. The results show a significant drop at point 9 (which correlates to the September 2025 tests). This drop matches the earlier substantial movement in late 2022, following a period of initial stability around 2021-2022. It's possible some seasonal changes were responsible for the partial recovery and slight stabilisation after the 2022 downward trend, but I'm persuaded from the latest results that the tree removal hasn't worked, and it's likely that differential settlement has occurred across parts of the foundations – with certain areas (most notably points 2, 4, 6, 8 and 9) showing the most significant signs of downward movement.

Based on this, I agree with Mr K and I'm satisfied his property is not yet stable, despite the vegetation management that UKI carried out. And given the considerable time that's passed since the claim was made, I think it's fair for UKI to now move to carrying out substructure repairs, and not to carry out superstructure repairs until the property has been stabilised. To ensure stability, UKI will need to carry out the repairs recommended by Mr K's expert – as outlined in his report dated 12 February 2025. I've found the report to be persuasive, considering the reasoning provided within it, and the fact that the surveyor has the right experience and knowledge to understand what's required. He's said:

"Heli pile foundation repairs are required.

Replacement of the rear left-hand section of the rear wall is required.

Replacement of the rear left-hand section of the left-hand flank wall is required.

Replacement of the concrete floor and floor lining is required."

If UKI still doesn't agree with the surveyor's recommendations, then I'm minded to require it to provide Mr K with details of three independent structural engineers, from which Mr K can choose an engineer to compile a detailed report into what's required to stop the ongoing movement at the property. The cost of this will need to be covered by UKI and the recommendations of that engineer will need to be followed.

Repairs to the front of the garage, the garage floor and the driveway

Mr K's surveyor has noted that "Externally to the front elevation of the garage there is cracking above the top left-hand corner of the lintel to the front garage opening".

UKI hasn't addressed this damage and the area isn't included in the schedule of works, so I currently think UKI needs to either include it in the works or explain clearly to Mr K why the area isn't covered. If UKI and Mr K appoint an independent engineer going forward, then they should follow the engineer's recommendations in relation to this area of damage.

I've considered the evidence of movement to the driveway – and I'm currently persuaded by the comments and photo Mr K has provided, that the driveway has "suffered some undulation at the movement joint at the front of the garage" as confirmed by his surveyor. It's still unclear what the cause of this is, and whilst UKI has previously suggested it could be traffic and age-related settlement, Mr K says his driveway was only 16 years old or less at the time of the claim, and the remaining vegetation is a similar distance to the driveway as the removed vegetation was from the garage.

So I'm currently minded to require UKI to investigate this further, by consulting the arborist for comments in relation to the remaining Hawthorn tree (at G5). I've noted Mr K's reservations about UKI consulting the same arborist, but I'm currently satisfied this is a reasonable way forward, as the arborist will be required to provide focused commentary

regarding the Hawthorn tree and will be required to give reasoning to justify their position. If UKI and Mr K appoint an independent engineer going forward, then the arborist's comments should be put to the engineer and the parties should follow the engineer's recommendations in relation to the driveway.

I've noted Mr K's comments about the garage flooring. He's said it's split into four pieces and his surveyor's report notes that the flooring has dropped in one area. UKI suggested stitching and resin injections before applying a self-levelling screed to the floor slab. But Mr K says this would create a lip to the floor which wasn't there previously. UKI is obliged under the policy terms to put Mr K's property back to its pre-loss condition so I'm not satisfied that its suggested method of repair will fully achieve this. I've also noted Mr K's comments that the self-levelling screed isn't as strong as his current flooring and he wouldn't be able to use a car jack in the garage if he needed to. So, given the extent of the damage to the garage flooring, I think it would be reasonable for UKI to replace the concrete slab.

General mismanagement of the claim and delays

Subsidence claims are, by their very nature, disruptive and can take considerable time to resolve. A certain level of inconvenience is always to be expected. But in Mr K's case, I'm persuaded he experienced additional disruption and inconvenience, over and above what I'd usually expect to see in a claim of this nature. Not all of this was UKI's fault, but at the very least I'm satisfied it unfairly failed to address the repairs to the front of the garage and driveway, omitting these from the schedule of works without good reason, and it also unreasonably declined to replace the garage floor, offering unsuitable alternatives.

As the arborist's report indicated that certain vegetation was causing the subsidence at the property, I don't think it was unreasonable for UKI to pursue removal of that vegetation, as I'd expect it to do in the circumstances. But, given the latest level monitoring results have indicated ongoing movement, I'm persuaded that there may have been missed opportunities to remove further implicated trees and UKI should've been more proactive in pursuing these opportunities for Mr K, to achieve stability of the building.

I'm satisfied UKI acted reasonably in respect of the neighbour's vegetation. Whilst it had no legal right to enter a property Mr K didn't own to take down the trees, it was responsible for investigating the likely causes of the subsidence and, if appropriate, seeking recovery or agreement with any accountable third parties. I think it did this in a reasonable manner, given the challenges that it was presented with.

While Mr K is right in saying that many subsidence claims can be resolved within two years, claims can take much longer when further monitoring is required, or when there are disputes with neighbours or other third parties are involved. In Mr K's case, there have been complications that I don't consider were UKI's fault, such as the repeated refusal by Mr K's neighbour to have their implicated vegetation removed.

Having considered the detailed timeline of this complaint, I agree with UKI's assessment that there were around six months of what I think were avoidable delays when matters should've progressed more quickly than they did. I've also kept in mind that Mr K obtained his expert's report in February 2025 but this wasn't passed on to UKI until several months later. But I do think that report has made a difference in this claim, so I intend to require UKI to reimburse Mr K for the cost of the report, with interest.

Compensation

UKI offered £500 compensation for the impact of its handling of the claim. Whilst it accepted it had caused around six months of avoidable delays, I don't think it has fully considered the

impact of its actions on Mr K. For example, I've seen no acknowledgement that at one point in the claim, Mr K suffered a bereavement, as his wife sadly passed away in January 2024.

At this point, Mr K should've been considered to be a vulnerable customer and, instead of taking greater care to ensure UKI provided a good level of service, the claim didn't progress as I'd expect. I say this because around that time, all the recommended trees had been removed and UKI's engineer called to discuss underpinning. UKI confirmed underpinning wasn't required. Instead, I think it would've been reasonable to tell the engineer and Mr K it would monitor the situation and look to underpin if the vegetation management proved unsuccessful and movement continued.

I'm currently minded to require UKI to pay Mr K a further £500 compensation, in addition to the £500 it's offered already, due to the overall time taken to resolve this claim and the impact of the delays, the various missed opportunities to investigate and comment on some of the damage claimed for, the unfair decline of part of the claim, the additional stress caused to Mr K while he was grieving, and the inconvenience caused to Mr K in having to appoint his own surveyor."

My provisional recommendations

As can be seen from the extract above, (which now forms part of my final decision), I told both parties I intended to require UKI to put things right for Mr K by carrying out substructure repairs in line with Mr K's surveyor's recommendations. But I also said that if UKI didn't agree with those recommendations then it would need to appoint an independent structural engineer, chosen by Mr K, from three engineers suggested by UKI. I said UKI would need to cover the cost of this and the findings of that engineer would then need to be accepted and any recommendations would have to be followed.

I also said the damage to the front of the garage would need to be included in the schedule of works – or UKI would need to explain to Mr K clearly why the area wasn't covered. And I said if an independent engineer was appointed, then the engineer's recommendations would need to be followed in relation to that area too.

I said the driveway damage needed to be investigated further and that an arborist would need to be consulted in relation to the remaining tree at G5. I said the arborist's comments would also need to be put to any independent engineer appointed. And that the findings of the engineer would need to be followed in relation to this. I also said I intended to require UKI to include the garage floor replacement in the schedule of works.

I said I intended to require UKI to reimburse Mr K for the cost of his expert report, with interest, and pay Mr K an additional £500 – bringing the total compensation in this complaint to £1,000.

Responses to my provisional decision

Both parties responded to my provisional decision by the deadline given. I won't repeat the full responses here, but I'll summarise the replies I received from both Mr K and UKI.

In summary, Mr K said:

- There were no deadlines given in my provisional decision and UKI had already caused numerous delays, so he felt strict time limits should be imposed on UKI with penalties for non-compliance.
- He was concerned that UKI would choose three engineers they have a relationship with, and this would compromise their impartiality.

- He said UKI could fabricate a reason for not carrying out repairs to the front of the garage.
- In relation to the damage to the driveway, Mr K was concerned that the arborist might be reluctant to change their view and not be impartial.
- He was concerned UKI would take advantage of loopholes in my decision and said there were some factual inaccuracies.

In summary, UKI said, in response to my provisional decision:

- It would agree to stabilise the garage, and the floor slab would also be replaced during stabilising the foundations, once further monitoring had been reviewed.
- It didn't agree with Mr K's surveyor's recommendations to use heli piles as it said its own surveyors didn't consider this is appropriate for the ground conditions and had instead proposed a piled raft.
- It didn't consider the walls would need to be rebuilt.
- It agreed that the driveway had now been impacted by the trees under G5 and said the trees had substantially increased in size since the claim was notified and its possible they were implicated in the movement at the front of the garage. It said it would make sense to pursue removal of these trees to prevent further damage to the driveway.
- It said repairs to the driveway would be restricted to the damaged area only.
- It said it would be willing to arrange works, or if Mr K preferred a cash settlement, this could be arranged net of VAT.
- It considered its compensation offer fair and reasonable, and didn't consider that it had unfairly missed opportunities to investigate the claim or complaint.
- It agreed to pay for Mr K's expert report and would need to be provided with the invoice. It said it didn't receive the report from Mr K but only received it from this Service on 3 July 2025, so it said that should be the date for applying interest with an end date being the completion of the decision date.

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.

This includes the responses I've received from both parties to my provisional decision. I've also listened to all the call recordings in this case, including the call between Mr K and our Investigator earlier today. I've considered whether a further provisional decision is needed, but I haven't received from either party any new evidence which has changed my initial view of this complaint.

My responses to the points raised by both parties are therefore as follows:

Preventing ongoing movement

Both parties agree that the garage needs to be underpinned as there's evidence of ongoing movement. I think the option to appoint an independent structural engineer is still a reasonable one, particularly if there are any further disagreements about the way forward.

I appreciate Mr K feels that any engineers recommended by UKI for consideration by Mr K might have an existing relationship with UKI and therefore may not be impartial. But UKI has already accepted that it must underpin the garage, so I hope this allays some of Mr K's concerns.

It's suggested installing piled raft foundations due to the ground conditions, which I think is

reasonable if Mr K agrees to it, as it's another method of underpinning a structure. If Mr K has any issues with this, then an independent engineer should be appointed to decide the best method of underpinning based on the ground conditions and any other relevant factors.

Mr K's engineer specified that the rear left-hand section of the rear wall and the rear left-hand section of the left-hand flank wall would need to be rebuilt, and also said the concrete floor and floor lining would need to be replaced.

I haven't received any further explanation from UKI as to why its review concluded the walls didn't need to be replaced, so I'll require UKI to follow the recommendations of Mr K's surveyor regarding the walls. If it doesn't agree with these recommendations in relation to the replacement of the walls, then it will need to obtain and comply with an independent engineer's comments and recommendations about those areas.

Repairs to the front of the garage, the garage floor and the driveway

I'm still satisfied that repairs to the front of the garage should be included in the schedule of works, as I've not received any additional evidence from UKI which would explain why these shouldn't be included.

Mr K believes UKI could potentially take advantage of loopholes here, but if UKI doesn't agree to carrying out these repairs for any reason, it will need to clearly explain why, with supporting evidence. And if Mr K disagrees with UKI's decision in relation to the front of the garage, he will be free to raise a new complaint with UKI, and ultimately refer that complaint to this Service in future, subject to the usual rules and time limits that apply. Whilst I appreciate Mr K doesn't want to have to go through this again, the option is there should he require it.

UKI has agreed to replace the floor slab in line with my provisional findings, and has said that the driveway repairs will be limited to the damaged areas only. I think that's reasonable as long as a lasting and effective repair can be achieved, but I see no reason why my provisional findings should change in relation to this. It's still fair for UKI to investigate the damage to the driveway further, consult an arborist for detailed comments, and – as it's suggested – remove the impacted vegetation to prevent further damage.

I've noted that Mr K believes the comments UKI has made in relation to the size of the trees increasing considerably since the start of the claim are unsubstantiated. I agree insofar as I've not seen evidence of what UKI has concluded here, so I think my decision that UKI provides an arborist's report should provide clarity on the matter.

Mismanagement of the claim, delays, compensation and interest

I appreciate UKI has conducted a further review following my provisional decision, but it doesn't agree that it caused avoidable delays or made errors that would warrant it increasing the amount of compensation payable in this complaint.

UKI hasn't provided responses to the specific points I noted in my provisional decision. But I've considered what it's said, and I still think compensation of £1,000 in total reflects the impact of UKI's actions during the claim on Mr K. So I'm awarding the same amount of compensation to Mr K as I set out in my provisional findings, and for the same reasons.

In relation to Mr K's expert report, I don't agree that UKI should only pay interest on the report from the date it was provided with a copy. UKI suggested Mr K obtain a report, which he did, and even if it didn't see the report straight away, Mr K was out of pocket from the date he paid the invoice, and the report supported his view. And when UKI did see a copy of

the report, it didn't change its position. So I think even if it had received a copy straight away, it wouldn't have altered its position at that point either. UKI should therefore pay interest on the amount Mr K paid for the report, from the date he paid for it, until the date it reimburses him.

Mr K has been clear that he doesn't want to go through any further hassle, which is understandable. If he does incur further problems, then he can either pursue enforcement of this decision or make another complaint, depending on the problems he experiences.

Mr K is also concerned about the length of time it will take UKI to settle this complaint. As I've made a number of directions as well as financial awards, I'd expect UKI to make any payments due within 28 days of Mr K accepting this decision and I'd expect UKI to also take steps to comply with the directions I've given, within 28 days of Mr K accepting too. This includes contacting Mr K within 28 days to arrange the next steps. If Mr K accepts, this decision will be legally binding, so UKI won't be able to decide to simply not to do anything. If UKI delays matters, Mr K should get in touch with us so that we can contact UKI to find out why things aren't progressing.

As I've not seen any additional comments, evidence or information which has changed my mind about how things should be put right for Mr K, my final decision remains in line with my provisional findings.

Putting things right

U K Insurance Limited trading as Direct Line Home Insurance should now do the following to put things right for Mr K:

- Carry out (or pay Mr K a cash settlement for) substructure repairs in line with Mr K's surveyor's recommendations, which involve underpinning the garage. It needs to offer to carry out the repairs, but if it also offers to pay a cash settlement, then Mr K can choose his preferred method of settlement. If it doesn't agree with Mr K's surveyor's recommendations in relation to the rebuilding of the walls, then it should provide Mr K with the details of three independent structural engineers, from which Mr K can choose an engineer to compile a detailed report into what's required to stop the ongoing movement at the property, including the rebuilding of the walls. The cost of this will need to be covered by UKI and the findings of the independent engineer will need to be followed.
- Include the damage to the front of the garage in the schedule of works or explain clearly to Mr K why the area isn't covered. If UKI and Mr K appoint an independent engineer going forward, then they should follow the engineer's recommendations in relation to this area of damage. If there is any further disagreement about this area, then Mr K will be free to raise a new complaint and to bring that complaint to this Service, subject to the usual rules and time limits that apply.
- Investigate the driveway damage further, by consulting an arborist for detailed comments in relation to the remaining Hawthorn tree (at G5). The arborist must be asked to provide focused commentary regarding the tree and must provide reasoning to justify their position. If UKI and Mr K appoint an independent engineer going forward, then the arborist's comments should be put to the engineer and the parties should follow the engineer's recommendations in relation to the driveway.
- Include the concrete slab garage floor replacement in the schedule of works.
- Reimburse Mr K for the cost of his expert report, plus interest at a rate of 8% simple

per annum from the date Mr K paid for the report until the date of settlement.

- Pay Mr K a further £500 compensation* for the inconvenience caused to him, in addition to the £500 it has previously offered, bringing the total amount of compensation* for this complaint to £1000.

If any new disputes arise, Mr K will be free to raise a new complaint with U K Insurance Limited trading as Direct Line Home Insurance, and may ultimately be able to refer that complaint to this Service – subject to the usual rules and time limits that apply.

*U K Insurance Limited trading as Direct Line Home Insurance must pay the compensation within 28 days of the date on which we tell it Mr K accepts my final decision. If it pays later than this it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

My final decision

My final decision is that I uphold this complaint and I direct U K Insurance Limited trading as Direct Line Home Insurance to put things right as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 29 December 2025.

Ifrah Malik
Ombudsman