

The complaint

Mrs W complains about the repairs carried out by Accredited Insurance (Europe) Ltd for a claim made under her home insurance policy.

What happened

Mrs W holds home insurance cover with Accredited. The rear of her property borders a river and there's a Riparian wall alongside the river. It had a single-skin block wall built on top of the Riparian wall's coping stones.

Following a flood, the block wall section of Mrs W's boundary wall collapsed. Accredited accepted the flood claim and dealt with the damage to Mrs W's home, but it refused to rebuild the wall on a like-for-like basis. Instead, it erected a fence in front of it.

Mrs W complained to Accredited about this. She said she agreed to the fence being built as she understood this was to be a temporary measure to make the garden safe whilst the wall was being rebuilt.

Accredited issued a final response to the complaint. It said the block wall section couldn't be rebuilt on the Riparian wall due to concerns over safety, and it didn't think this should have been built on top of the Riparian wall in the first place. It thought its decision to erect a fence was a reasonable alternative. Unhappy with this, Mrs W brought a complaint to this service.

Our investigator looked into things and recommended the complaint be upheld. She thought Accredited should have arranged for Mrs W to have a like-for-like replacement. She recommended Accredited remove the fence and build a new boundary wall in front of the Riparian wall. She also recommended Accredited pay Mrs W £150 compensation for its handling of the matter.

Accredited didn't accept our investigator's findings and so the complaint has been passed to me for a 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.

Industry rules set out by the regulator (the Financial Conduct Authority) say insurers must handle claims promptly and fairly. I've taken these rules, and other industry guidance, into account when deciding what I think is fair and reasonable in the circumstances of Mrs W's complaint.

The policy says that Accredited will cover the property against loss or damage caused by flood.

Accredited arranged for a surveyor and loss adjuster (Mr S) to carry out an inspection. Mr S said:

- There was an old existing wall construction which was built to retain the river. When Mrs W bought her property, there was an extension to the height of that wall (a 100mm thick wall) built either by the previous owner or under instruction of them.
- The original wall remains following the flood, and the issue is Mrs W's request to have the upper portion of that wall rebuilt.
- The advice he gave Mrs W at the time and confirmed to her and Accredited was that the damaged wall height cannot be reconstructed as built.
- The original wall is a Riparian wall. Owning this is a complex thing.
- The person who had built the extension onto that wall previously would have required permission from the Environment Agency to do so. They will only allow such things if deemed appropriate.
- The wall debris he saw implied fairly rudimentary construction and was very likely built without permission. Most insurers would not consider a construction built without permission an item that a policy can respond to.
- He therefore suggested to Accredited that it could consider an ex-gratia review of the matter and assist with something more appropriate, such as a fence.

Also, in response to our investigator's findings, Mr S made some further comments:

- There are strict rules on doing such things as adding to the height of a Riparian wall.
- Since the formation of control entities such as the Environment Agency, there have always been such restrictions of type, and a wall built without being seen by the current authority would just exist but would not be approved.
- There's no evidence of its approved/legal status and therefore it could not attract insurable interest.
- The investigator's recommendations provide betterment as it would require Accredited to provide a new wall which wasn't there in the first place.

I understand the property was built in 1905 so presumably the Riparian wall was built at this time. Though crucially, we don't know when the extension to the wall was built, we only know it was already there when Mrs W purchased her property.

Mr S thought the extension to the wall was likely built without permission. Though even if that is the case, without knowing when it was built, we don't know whether permission was required at the time.

I see from photos of the opposite side of the river that there's part of a Riparian wall there too, though a block wall then continues from this down the riverbank. Given that a block wall wasn't just built on Mrs W's section of the Riparian wall, it seems unlikely that this was built by the previous owner of Mrs W's property or under their instruction as Mr S suggests. As a block wall extended across various owners' properties, it may well have been built by an organisation responsible for the watercourse, or the local authority.

The policy excludes loss or damage caused by poor workmanship or poor design. Although Accredited says it built the fence as a gesture of goodwill, I haven't seen any communication sent to Mrs W where Accredited has relied on this exclusion to turn down this aspect of her claim. Though even if it had done, I'm not persuaded the exclusion would apply. I'll explain why.

Mr S referred to the rudimentary construction of the wall (based on the debris after the collapse), but that doesn't mean there was poor workmanship. If that were the case, then I'd expect to see photos or comments on faults to any remaining block wall highlighting poor workmanship - such as bowing or cracking, or issues with the mortar. None of this has been suggested.

As far as I'm aware, there was no sign of damage until the flood, which suggests the wall was stable before this. Also, the flood event was such that it reached Mrs W's home, and I note her neighbour's section of the Riparian wall was also damaged. So, it seems the flooding event was quite significant.

Mr S has made it clear that for safety reasons a wall shouldn't be built on top of a Riparian wall, so there could be an argument here for poor design. But that's applying current standards, and as I've said, we don't know when the block wall was built.

Mr S has explained there have always been restrictions relating to work around a watercourse since control entities such as the Environment Agency were formed (I understand the Environment Agency was formed in 1996). Though without knowing the estimated age of the wall's extension, we can't say what restrictions might have applied at the time. If Accredited were relying on the above exclusion (though as I've pointed out, it hasn't said that it is) then the onus is on Accredited to show that it applies. I'm not persuaded it has done so here.

This is an indemnity policy, and therefore if an exclusion doesn't apply, Accredited is required to place Mrs W back in the position she was in before the damage, as far as reasonably possible. My view on this is that an insurer should put a policyholder back into a broadly similar position to the one they were in previously. I'm not persuaded the erection of the fence does this. Before the damage, Mrs W had a wall separating her garden from the river that was apparently stable. So that's what she should have after the damage too. A fence doesn't reasonably indemnify her.

Mrs W has also made the point that by Accredited putting up the fence, she's lost three metres of her garden and three fruit trees. So, she's actually worse off at the moment.

The difficulty here of course is that Mr S has explained a new wall can't be built on top of the Riparian wall, due to safety concerns. So, I think the only available option would be as our investigator has suggested, and that is for Accredited to build a new wall in front of the Riparian wall. I understand that's what Mrs W's neighbour's insurer has done.

Mr S is correct that this would be considered betterment. In other words, Mrs W will end up in a better position than she was before the damage, as she'll have a new boundary wall. But it seems to me that is the only fair solution in the circumstances. Based on today's standards, a wall shouldn't be built on top of a Riparian wall, but if Accredited doesn't build Mrs W a new wall, then it won't have carried out an effective and lasting repair. Although Accredited argues that the fence is an effective and lasting repair, I've already explained why I don't think the fence indemnifies Mrs W.

I don't think Accredited has been particularly clear with Mrs W in its handling of the claim. She understood the erection of the fence was a temporary measure until the wall could be built, but that wasn't Accredited's intention. Although Accredited provided her with an initial report written by Mr S, I understand there was no mention of the wall in this. Accredited also hadn't made it clear to her why it thought the wall shouldn't be rebuilt under the terms of the policy. I require Accredited to pay Mrs W £150 compensation for the confusion it has caused by its handling of her claim.

My final decision

My final decision is that I uphold this complaint. I require Accredited Insurance (Europe) Ltd to remove the fence and build a new wall in front of Mrs W's Riparian wall.

Accredited should also pay Mrs W £150 compensation*.

*Accredited must pay the compensation within 28 days of the date on which we tell it Mrs W 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.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 27 January 2026.

Chantelle Hurn-Ryan
Ombudsman