

The complaint

Miss F and Mr J complain about how esure Insurance Limited have dealt with their claim for subsidence at their property, in particular that the schedule of works prepared doesn't cover all the work their surveyor has said is required.

What happened

Miss F and Mr J have household buildings and contents cover for their property with esure. In September 2023 Miss F and Mr J made a claim for subsidence damage to their property and esure instructed loss adjusters to investigate.

The loss adjusters believed the damage to be related to problems with the drains and investigations were arranged. In January 2024 defects with the drains were confirmed, the claim was accepted, and repairs arranged. The drain repairs were completed in stages and Miss F and Mr J weren't happy with the condition of their patio after the works.

In December 2024 a joint inspection of the property was carried out by the loss adjuster and the appointed network contractor. Based on this inspection the contractor prepared a schedule of works for the loss adjuster to review and seek authorisation of the works from esure. The loss adjusters advised esure that due to the extent of the work required alternative accommodation for Miss F, Mr J and their children was likely to be required.

Miss F and Mr J were unhappy with the schedule of works and appointed their own engineer to provide recommendations on how esure should deal with the repair phase of their claim.

His report noted considerable damage throughout the property including: -

1) A vertical thin crack on the brick wall in front of the house under the window. Said to be caused by minor foundation settlement or overloading of the lintel or beam above the window.

The report recommends inspection of the foundations. If the lintel or beam above the window is inadequate or showing signs of failure it should be reinforced and padstones installed to distribute loads uniformly. And, if necessary, a crack stitching reinforcement system be used.

2) Thin cracks inside the house on the walls near the ceiling. Likely to be caused by structural movement, such as deflection or overloading of ceiling joists and beams.

The report recommends inspection of the joists and supporting beams. If required the beams should be strengthened and padstones installed at their bearing points to ensure an even distribution of loads onto the walls.

3) Thin cracks on walls and beam in the extension. Said to be a sign of potential differential settlement between and main structure and the extension, beam overloading or material compatibility issues.

The report recommends a detailed analysis of the beam to ensure its adequately sized for the imposed loads. If not it should be reinforced. After ensuring structural stability the cracks

to be repaired using epoxy resin or crack-stitching methods to restore integrity of the walls.

4) A jammed door with a cracked frame. Said to typically indicate uneven foundation movement or subsidence, which distorts the door frame.

Recommended that the foundations be checked for settlement and stabilised and the foundations underpinned where necessary, particularly near the door frame. Using reinforcement bars or mesh, then pouring high-strength concrete to create a stable foundation.

It's also recommended that Heli bars be used to stabilise and repair the cracks in the walls near the door frame. Once this is done the floor height can be corrected and the door realigned.

5) A vertical crack in the brick wall inside the garage with thickness up to 70mm. This is said to be an indication of severe foundation subsidence or overloading of the wall. And it's said a thorough investigation for signs of soil shrinkage or inadequate design is required.

The report recommends Underpinning or ground improvement methods to improve the foundations. And once structural stability is restored the crack to be repaired using Helifix bars and epoxy mortar.

6) Vertical thin cracks in the bedroom walls and ceiling. These are said likely to be caused by deflection of floor beams or joists due to overloading, poor load distribution, or settlement. Inspection of the beams and joists is recommended.

The report recommends reinforcement or replacement to be carried out as needed. Compressive material installed at the beam supports to absorb minor structural movements and reduce stress. Once structural repairs are complete the cracks to be patched and monitored for any further progression.

7) Horizontal crack on the wall of the second bedroom. This is said to be indicative of excessive lateral forces, such as wind loads, or insufficient lateral restraint.

Recommended that the structural integrity of the wall be evaluated and excessive loads redistributed using a steel beam. Padstones to be placed beneath the beam ends to ensure uniform load transfer to the wall. After resolving the underlying cause, the crack to be repaired using flexible mortar and crack-stitching reinforcement.

8) Vertical crack on the external side wall of at least 3mm. The report recommends inspection of the joists and supporting beams. If required the beams should be strengthened and padstones installed at their bearing points to ensure an even distribution of loads onto the walls.

Recommended that the foundations be stabilised if settlement is confirmed and any elements carrying excessive loads to the wall to be assessed and reinforced. Compressible material be provided at the supports. Cracks to then be repaired using flexible mortar and monitored.

9) Vertical and horizontal thin crack on the external brick wall of the extension. Said to be caused by differential settlement between the main structure and the extension, inadequate load transfer from beams or roof structures, or thermal expansion. It's recommended that the foundations of the extension be investigated, and stabilisation measures such as underpinning or soil injection be taken if settlement or subsidence confirmed.

10) Front inside door and back door going out of the kitchen very stiff when closing within their frames. This is said to be likely to be caused by structural movement or deformation which may be due to foundation settlement or subsidence.

Recommended that the foundations be inspected and stabilisation measures such as underpinning or soil injection be undertaken if settlement or subsidence is confirmed.

The loss adjusters considered this report and advised esure that the cause of the subsidence claim they were dealing with under Miss F and Mr J's policy was underground leaks due damaged piping. This had been repaired as part of a mitigation plan which would allow the soil to recover and the property to return to its pre-subsidence condition. They regarding the subsidence claim as 'simple' so they didn't recommend level monitoring or underpinning which Miss F and Mr J required. The loss adjusters said this a future proofing measure which wasn't covered by their policy.

And they said the report Miss F and Mr J had obtained appeared to have been prepared without sight of a pre-purchase survey report which they'd obtained in 2019, prior to them buying the property in 2020.

The 2019 report identified a number of defects to the property which were described as serious and in need of urgent repair, replacement or investigation. And others that needed repair or replacement but weren't considered serious or urgent.

The serious defects noted which are relevant to this complaint were as follows: -

1. Flat roofs to rear extensions, front and side porch and garage to be inspected to confirm there are no issues as valley gutters are prone to blockage and failure. With a view to carrying out repairs and/or upgrade.
2. Main walls showing some bulging and distortion of external brickwork along with minor cracking and sloping to front and rear and side elevations. Considered to be longstanding and currently arrested as far as could be seen from a single inspection.
3. Of more concern is localised cracking to the front left elevation and under the front window. Most likely a result of differential movement between the porch/garage and main building and minor settlement to the front elevation generally.
4. Remedial works said to be required. To promote the long-term stability of external brickwork, the supply and fix of 800 x 4mm stainless steel straps into bed joints with epoxy resin where cracks are present and the re-pointing of brickwork in sand/cement mortar on completion.
5. Property said to be of an age and type that could be affected by cavity wall tie corrosion so advised to satisfy selves of condition of the wall ties before purchase.

Prior to making any commitment to purchase the property Miss F and Mr J were advised to obtain a report from a structural engineer in respect of structural movement and cracking to the property.

Miss F and Mr J wanted the schedule of works to include underpinning as recommended by the report they obtained in 2025. They raised a further complaint when they were advised that the schedule of works wouldn't be amended.

esure responded to this further complaint on 21 May 2025. They said that Miss F and Mr J's primary concern related to the requirement for their property to be underpinned which their

surveyor's report has recommended. esure acknowledged that underpinning is often considered a preventative or future-proofing measure. But said that such work falls outside the scope of indemnity under the subsidence claim they'd accepted.

They said they were satisfied that the proposed scope of works was appropriate and proportionate to the identified subsidence related damage, and the repair plan would not be enhanced. They also said that the loss adjusters had advised that the damage to their bathroom and ground floor toilet tiles hadn't been caused by subsidence.

Finally they said that issues regarding their garden and patio had been addressed in their final response letter of 19 November 2024. Their view on this was unchanged so they couldn't comment further. In this earlier letter esure had said they'd only replace the patio slabs damaged as a result of the drainage investigations, not the whole patio, as this was what was covered by Miss F and Mr J's policy.

Unhappy that esure wouldn't agree to cover underpinning and the other work recommended by their surveyor Miss F and Mr J complained to our service. They told us that they were unable to repair some of the damage detailed in their pre-purchase survey report due to the lockdown. They couldn't provide any evidence to confirm that any work was done.

Our investigator considered the case and recommended that esure pay Miss F and Mr J a further £200 compensation for delays with their claim, in addition to the £200 previously paid. But he said he was satisfied that esure had shown that the subsidence had been dealt with and underpinning wasn't required.

And he wasn't satisfied that the scope of work Miss F and Mr J had provided related to an insured peril, as some of the work pre-dated the start of their policy. So he was more persuaded by esure's evidence.

Our investigator said that esure had confirmed that the subsidence had been mitigated following completion of repairs to the damaged drains.

Miss F and Mr J want their property underpinned but having considered the expert reports our investigator was satisfied this wasn't necessary. Miss F and Mr J want underpinning to prevent further subsidence damage, but this isn't something their policy would cover. As esure had mitigated the loss we wouldn't expect them to do more. We can't hold them responsible for preventative measures. But our investigator said if Miss F and Mr J notice further movement they should contact esure.

Miss F and Mr J have told us that they're unhappy that esure won't cover the full replacement of their patio but their policy doesn't cover matching items, so our investigator thought it was reasonable for them just to replace the damaged paving slabs. And while he said he could understand their frustration, he said they agreed the policy terms and conditions.

There's an ongoing dispute regarding the scope of works required for the property. Our investigator said in considering this he had to rely on the expert evidence. esure's contractors have provided a schedule of works which excludes damage to the kitchen and bathroom tiles. Miss F and Mr J's January 2025 report details a lot more damage affecting more areas of the property than esure's loss adjusters have said is covered.

Our investigator said he wasn't persuaded that all the works Miss F and Mr J are claiming for are linked to the subsidence claim. This is because the report they obtained in 2019, before they purchased their property, highlighted repairs that were required, which are similar to those they're now claiming for. So esure have said that some of the current issues are historic

and they won't cover any damage which pre-dates the policy inception.

Miss F and Mr J told our investigator that they were unable to have the necessary repairs completed when purchasing the property due to Covid restrictions. While our investigator said he understood there had been delays it was still their responsibility to have the necessary repairs carried out as soon as possible. And as there was no evidence they'd had the repairs completed he felt esure acted reasonably in omitting repairs to pre-existing damage from the schedule of works.

If Miss F and Mr J can provide evidence that the damage detailed in their 2019 report was repaired then our investigator said esure may reconsider their position. And he suggested they may want to get their surveyor to provide an updated scope of works excluding damage detailed in the 2019 report.

But he felt esure needed to do more to compensate Miss F and Mr J for the poor service and delays they'd experienced. He didn't think the £200 esure had paid was enough to compensate them for delays since the claim was made at the end of 2023. He regarded these delays as excessive even given the nature of the claim and said esure should pay a further £200 compensation.

He also said that esure should reconsider their stance regarding the provision of alternative accommodation for Miss f and Mr J and their family once the scope of works had been agreed.

esure accepted our investigator's opinion but Miss F and Mr J didn't as they still want the scope of works to include underpinning of their property.

The case has now come 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.

I've set out in the background to this complaint a summary of the defects noted in Miss F and Mr J's 2019 pre-purchase survey and the further report they obtained in January 2025.

The 2019 report details structural work required to the property and recommended that this should be done urgently before Miss F and Mr J proceeded with their purchase. The report also details a lot of further work and investigations which might be required but weren't considered urgent.

In 2019 Miss F and Mr J were on notice that the property had been and might still be subject to structural movement. They've said they couldn't get the recommended work done due to the Covid lockdown. While this may have been the case the need to have this work done was something they were aware of and it pre-dates their cover with esure. Their policy excludes cover for any pre-existing damage so esure aren't responsible for the investigation or repair of any damage detailed in the 2019 report.

Their 2025 report recommends comprehensive investigations and repairs to Miss F and Mr J's property but I'm not persuaded that esure need to do more than they have done. Their loss adjuster's report confirms that the subsidence damage covered by Miss F and Mr J's policy was caused by damaged drains. The drains have been repaired and the property is considered stable. So the issue is now the extent of the scope of works required.

I'm satisfied that the scope of works prepared for esure is reasonable. I say this because there was pre-existing damage when they purchased the property, which pre-dates their cover with esure. The 2025 report on which Miss F and Mr J's scope of works is based makes no mention of the earlier report and a lot of the work being claimed for is similar to that noted as required in 2019.

I'm persuaded that the property is now structurally stable in relation to the subsidence caused by the damaged drains, which esure are responsible for, so there's no need for underpinning. While Miss F and Mr J may want their property underpinned as a way of preventing further subsidence in the future, this isn't something covered by their policy.

All our service can say esure is responsible for is mitigating the loss. As I'm persuaded that esure have done this, I can't ask them to do any more. But if there are signs of further subsidence they can contact esure and I'd expect them to investigate whether this is covered by Miss F and Mr J's policy.

Miss F and Mr J remain unhappy about the condition their patio was left in after the drainage works. They've told us the patio is uneven and the new paving stones don't match the old ones. So they want the whole patio replaced. Their policy doesn't include optional 'matching items' cover so I think it was reasonable for esure just to cover replacing the paving slabs that were damaged during the works.

When they raised their first complaint with esure Miss F and Mr J were unhappy that esure wouldn't cover the cost of alternative accommodation while the repair works were being carried out. The loss adjuster advised esure that given the ages of their children it wouldn't be possible for the family to remain in the property while internal repairs were carried out. And I can see that in January 2025 esure agreed that they'd cover alternative accommodation for the family for the duration of the repairs, so I'd expect them to honour this.

Finally I need to consider whether the compensation esure have paid Miss F and Mr J for delays with their claim was reasonable. The subsidence claim was submitted to esure in September 2023. In January 2024 it was confirmed that the subsidence had been caused by damaged drains. But the repair work didn't start until March 2024 and wasn't completed until June 2024.

There was then a delay until December 2024 for the loss adjuster to attend the property with an approved contractor to prepare a scope of works and this was sent to Miss F and Mr J in January 2025. Miss F and Mr J have told us that at times they weren't kept updated and esure accept this and that there were some unnecessary delays.

Taking this into account I don't think the £200 esure have paid is sufficient compensation for the delays and lack of updates and I think £400, inclusive of the £200 already paid would be reasonable. And esure have confirmed they're happy to agree this..

My final decision

For the reasons set out above my final decision is that I partially uphold Miss F and Mr J's complaint about esure Insurance Limited.

And to put things right I require esure to pay Miss F and Mr J £400 compensation, inclusive of the £200 they've already paid, for the distress and inconvenience they've experienced as a result of the esure's failure to keep them updated at times during their claim, and the unnecessary delays in progressing their claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss F and Mr J to accept or reject my decision before 11 March 2026.

Patricia O'Leary
Ombudsman