

The complaint

Mrs M complains about how a claim has been handled by U K Insurance Limited (UKI) on her buildings insurance policy.

What happened

The events of the complaint are well known to both parties so I won't go into detail here. In summary, a claim was raised due to subsidence in 2017. Mrs M is unhappy with how the claim has been handled. Mrs M has complained about outstanding repairs, delays and communication. Mrs M was unhappy with the response to her complaint and brought it to this service.

Our investigator upheld Mrs M's complaint. They set out what they thought UKI should do to settle the claim and awarded £750. UKI appealed. Whilst they accepted some of the redress set out by our investigator as well as the compensation, they didn't agree with all the requirements. As no agreement could be reached, the complaint has been passed to me to make a final decision.

Because I disagreed with our investigator's view, I issued a provisional decision in this case. This allowed both UKI and Mrs M a chance to provide further information or evidence and/or to comment on my thinking before I made my final decision.

What I provisionally decided – and why

I previously issued a provisional decision on this complaint as my findings were different from that of our investigator. In my provisional decision, I said:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint."

Based on what I've seen so far, I intend to uphold Mrs M's complaint.

When considering complaints such as this, I need to consider the relevant law, rules and industry guidelines. The relevant rules, set up by the Financial Conduct Authority, say that an insurer must deal with a claim promptly and fairly, and not unreasonably decline it. So, I've thought about whether UKI acted in line with these requirements with how they handled Mrs M's claim.

At the outset I acknowledge that I've summarised her complaint in far less detail than Mrs M has, and in my own words. I'm not going to respond to every single point made. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. The rules that govern the Financial Ombudsman Service allow me to do this as it's an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I'm satisfied I don't need to comment on every individual point to be able to reach an outcome in line with my statutory remit.

Our investigator set out the following redress in their outcome:

- Reinstate part of fencing*
- Arrange for helibar reinforcement to north-west gable blockwork*
- Repoint dining room window and replace casement*
- Refit main bedroom window*
- Investigate cavity wall insulation*
- Pay £750 compensation for the distress and inconvenience caused*

Mrs M hasn't provided any comments in response to the outcome. So, I've assumed she accepts it. I'll be concentrating on the issues still in contention but will comment on each of the above.

Reinstate part of fencing

UKI said they didn't want to complete the reinstatement works and they weren't required to under the policy. The policy does allow UKI to settle the claim as they wish, however, they should do so in a fair and reasonable manner. UKI originally offered £1,300 to cover the cost of the fencing. Following our investigators view, this was increased to £1,800. However, there was no evidence to support Mrs M would have been able to get the work done for this amount. UKI are now offering to cover 50% of a quote Mrs M received for the fencing in 2024. The quote was for £7,610.95 excluding VAT, but the firm providing the quote was VAT registered. Should Mrs M proceed with a VAT registered firm, I'd expect UKI to pay 50% of the VAT too.

UKI have argued they shouldn't be responsible for the full cost of the fence. This is because the vegetation that was removed isn't the only area where new fence is needed. UKI has provided photos from before work started which showed the existing fence in a poor state. So, I agree that UKI don't need to cover the cost to replace the full fence.

I think it's fair for UKI to cash settle for the fencing at 50% of the quote from 2024, but this should include VAT should a VAT registered contractor be used.

Arrange for helibar reinforcement to north-west gable blockwork

There is no dispute between either party on this point.

Repoint dining room window and replace casement

There is no dispute between either party on this point.

Refit main bedroom window

UKI have disagreed with this point based on a site visit that occurred in July 2025. I've reviewed the report from this visit and it confirms that both Mrs M and her appointed building surveyor were present at the site visit. In relation to this point, the report sets out the following:

“Windows – No apparent serviceability issue was recorded to the main bedroom window during our assessment to warrant further works. It was agreed however that a recommendation be made to insurers to replace the 1 No. double glazing unit to the dining room casement window.”

Whilst there were potential issues raised with the main bedroom window previously, in the most recent report, which had both Mrs M and her representative present, no issues were found to exist. I’ve not seen any evidence to contradict this. So, I don’t think UKI need to do anything further based on the evidence provided.

Investigate cavity wall insulation

There is no dispute between either party on this point.

Pay £750 compensation for the distress and inconvenience caused

UKI has agreed to pay Mrs M an additional £750 for the distress and inconvenience caused. I think this is fair and reasonable in the circumstances.”

I set out what I intended to direct UKI to do to put things right. And gave both parties the opportunity to send me any further information or comments they wanted me to consider before I issued my final decision.

Responses to my provisional decision

Mrs M didn’t respond to the provisional decision by the deadline.

UKI accepted my provisional 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 thought carefully about the provisional decision I reached. Having done so, and as neither party has provided anything which could lead me to depart from my provisional decision, my final decision remains the same as my provisional decision, and for the same reasons.

Putting things right

To put things right, UKI should do the following:

- Pay 50% of fencing quote from 2024, including the VAT element should a VAT registered contractor be used.
- Arrange for helibar reinforcement to north-west gable blockwork
- Repoint dining room window and replace casement
- Investigate cavity wall insulation
- Pay £750 compensation for the distress and inconvenience caused

My final decision

For the reasons I've explained above, I uphold this complaint and direct U K Insurance Limited to put things right by doing as I've said above, if they haven't already done so.

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

Anthony Mullins
Ombudsman