

The complaint

Ms W complains about the remedy provided by AXA Insurance UK Plc when settling her claim for subsidence on her home insurance policy.

What happened

Ms W had a home insurance policy with AXA. She made a claim after noticing cracks in the property. AXA accepted the claim and identified the cause of the subsidence as a tree that belonged to her neighbour. It instructed an arborist who recommended the tree be removed.

However Ms W's neighbour wasn't prepared to remove the tree. Instead she agreed a compromise with AXA to cut it down to 5 metres and to carry out regular pruning. This action was carried out and AXA monitored the property to see if it stabilised. As it was satisfied the property had stopped moving, AXA carried out repairs to the damage.

However Ms W wasn't happy with this. She said it wasn't right that AXA's expert had come up with two conflicting views on what would solve the subsidence. She said AXA's contractors had acted unprofessionally and wanted them to issue a statement retracting their original findings or explaining the contradiction.

She made a complaint and AXA accepted it could have provided better communication. It offered £225 compensation for this. However it said it was satisfied it acted correctly on the information it had at the time in order to resolve the claim.

Unhappy with this Ms W brought her complaint to this service.

Our investigator didn't uphold the complaint as she said AXA had acted reasonably by reaching a compromise with her neighbour as the property showed it had stabilised after. And she said she wouldn't expect AXA to amend a report that wasn't incorrect, so she couldn't ask it to retract its original opinion.

Ms W didn't agree and asked for her complaint to be reviewed by 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.

When a subsidence claim is made, it's the role of the insurer to identify the cause of the subsidence and solve the issue so that the property stabilises. We'd then expect the insurer to check that it is stable before moving on to repair the superficial damage.

Here, AXA sent an arborist to identify the cause. It recommended the tree belonging to Ms W's neighbour was removed as it thought this would ensure the property stabilised.

However when a tree belongs to a third party, the insurer is unable to take any action without their consent. So AXA couldn't have carried out the recommendations of its expert if the neighbour wasn't in agreement. Instead, the neighbour said she would reduce the tree to 5m

and carry out ongoing pruning. As AXA hadn't been able to get agreement to full removal, I think it was reasonable it agreed to this in the first instance.

Once the tree was reduced, AXA carried out monitoring to see if this had impacted the movement of the property. And it found that the property had stabilised. So while the action taken wasn't what the arborist originally directed, it did meet the objective of stabilising the property. And as this is what the insurer is required to do in response to a claim, I think this is reasonable in the circumstances.

I appreciate Ms W's frustration at the change to AXA's position on the appropriate action and understand why she'd prefer that the tree was removed. However as the third party didn't agree to this action, it wasn't unreasonable for AXA to explore alternatives. And as the alternative led to the property stabilising then it was reasonable for AXA to proceed to repairs.

I understand that removing the tree may go further to prevent the possibility of future instances of subsidence. However insurance policies don't provide protection from future damage. Instead they are there to solve a current problem, which is what AXA has done here. So I've not found that AXA got anything wrong in the actions it took in the circumstances.

Further, just because AXA carried out different actions to that in the initial report doesn't mean that AXA's arborist's original report was incorrect. The recommendation to remove the tree was the expert's opinion at the time. However after this it transpired this wouldn't be possible due to the neighbour's wishes and that the property could stabilise with tree reduction only. So while it agreed to change the remedy, as the original opinion wasn't incorrect I'd not expect AXA to amend the report or withdraw the opinion.

I can see the situation has caused Ms W some frustration and AXA hasn't helped matters by providing unclear communication about the matter. It's offered £225 to make up for the poor service and I think this is fair in the circumstances. So I won't ask it to do anything further.

My final decision

For the reasons I've given, I don't uphold Ms W's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 4 August 2023.

Sophie Goodyear
Ombudsman