



HOME COVER

Getting to the root of subsidence

Subsidence prevention advice is an ideal topic for those brokers who like to communicate with their home cover clients via newsletters. Not only is it 'tangible' information, but it follows the theme that brokers can differentiate their offering and enhance customer relationships by alerting clients to the ongoing problems caused by vegetation and drainage, to say nothing of communication when a genuine claim occurs. Rob Withers of subsidence repair specialists The Withers Group takes up the story

There are, on average, around 40,000 subsidence claims every year, of which 50% are considered to be 'real'. Out of this 50%, only 5% result in structural

substructure repairs. The remainder involves cosmetic solutions, coupled with some mitigation work – i.e. tree management:

Traditionally there has been a

seven year period in between 'event years', but as residual moisture in the ground continues to decrease, the industry as a whole should be prepared for an 'event year'



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happening any year. Nowadays, it's a case of 'when' rather than 'if'.

Given that around 50% of claims are thrown out by insurers, education is indeed crucial – it would benefit both client and the insurance industry. As the number of claims increase by some 10%, year upon year, a greater understanding and knowledge sharing of what causes building cracks and how to reduce the incidence of subsidence, is welcomed.

When cracks appear in a home, subsidence is considered the main culprit. However, cracks can be caused by settlement, poor design and maintenance and seasonal changes in air temperature and ground moisture. They may be scattered around internal plaster areas, or appear over doors and windows. In most cases, cracks can be remedied via building and maintenance experts.

Subsidence cracks are stepped, diagonal and wider at the top than the bottom. They appear around doors, windows and 'weak' parts of a home. Over 80% are caused by vegetation, the remaining 20% because of faulty drains and escape of water. Claims are predominantly in the clay sub-soil regions stretching from the Midlands to south-east Kent.

Brokers can help clients reduce the risk of subsidence by advising the safe planting distance for trees and outlining the risks presented by vegetation already on their land. Broadleaf trees such as oaks, poplars, willows, elms and eucalyptus have a particularly high water demand and should be planted a minimum of 20 metres from property on shrinkable clay soils.

Smaller trees, such as spruce and pine should be at least eight metres from a property wall. Remind clients that feeder roots will always look for underground moisture to sustain growth, so foliage should be regularly cut back. The less foliage, the less moisture is required.

If clients have access to information, they can ensure they plant the right tree in the right place, and gauge whether they need to risk manage any existing vegetation. Information is available via the ABI, insurers and a number of websites, including www.trees.org.uk. The Subsidence Forum is also looking to engage further with brokers.

A leaking or collapsed drain can wash away the subsoil under a property's foundations, so advise clients to have their drains tested for leakages. Standard Building Society surveys only involve a casual inspection of drains and man-hole covers. As well as potentially saving both money and worry in the future, a more detailed inspection and its subsequent findings could be included in the soon-to-be introduced Home Information Packs (homeowners will have to offer them to prospective buyers in 2007).

Of the 2,000 or so subsidence claims that result in structural repair – over 95% involve superstructure (above ground) repairs and are settled within a year. Those that go beyond this timescale are usually because under-pinning (strengthening or deepening of foundations) is necessary or there are disputes with the local authority.

With superstructure cases, identification of the subsidence source and removal or repair is carried out within three months. Monitoring takes a further three to six months and property repairs such as resin-bonding or reinforced resin-bonding are completed after this. Less than 5% of cases result in under-pinning as this technique is only resorted to if the source cannot be removed or repaired and the property continues to move.

As with all claims, the key to successful management is better understanding and improved communication. Subsidence claims are invariably complex and lengthy,



so it's even more crucial to manage clients' expectations. Awareness of targets, objectives and timescales is vital. If this can be achieved, there really are opportunities for brokers to differentiate their offering, especially in the high net worth area where clients expect a more bespoke service. And this service should be offered before, as well as during, a claim.

Whilst calls for brokers to work more closely with insurers, loss adjusters and clients are to be applauded, let's not forget the contractor in this equation. As far as the client is concerned, the contractor is an extension of the insurer and ultimately, the broker. Brokers must be in the communication loop and know who's working on their behalf – these are the very people clients may hold accountable. **IBM**

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