

# Subsidence charter hollow and worthless

AS one of the few loss assessors who have specialised in subsidence claims for the past 25 years, I read the 'Subsidence Focus' (PM, 25 August, pp12-18) with interest.

During recent years, as with the handling of other perils, insurers' proactive approach to subsidence claims has resulted in a more or less universal practice of attempting to apply the same criteria to every loss. This has involved limited investigation and monitoring, chopping down all or as much vegetation as they can get away with, and sending in a panel contractor at cut-price rates to fill in the cracks and slap a coat of paint on the walls.

Getting down to brass tacks, the underlying ethos is always to avoid underpinning if at all possible. If causation — as is usually the case and certainly in London — is desiccation due to moisture abstraction by tree roots, the desired outcome for insurers is often achieved by undertaking only sufficient investigation to determine the existence of desiccation and the identity of any roots that may be found in the bore or bores augured.

As the object is not to ascertain sub-strata conditions for the possible eventuality of underpinning, bores are seldom taken below three metres, and the number of bores is limited to the nearest locations of damage, and often no more

than two.

Control bores and level surveys are a rarity, and drains are not always tested. Monitoring studs are affixed but readings taken irregularly. Arborists are engaged to identify vegetation for removal, on the pretext their judgement is authoritative when, in fact, there is no amenity valuation or real consideration as to whether the vegetation they propose to remove is instrumental in the damage, or to what degree, or whether the removal of only the higher moisture-demanding trees and shrubs might preclude the necessity to remove all.

In many instances, the removal of some vegetation, combined with the passage of sufficient time to allow a degree of rehydration, will result in the semblance of stability having returned, and a declaration that all is well and superstructure repairs can proceed.

Relative stability may return to many properties without even vegetation having been removed, simply due to adequate levels of rainfall between event years. However, because there is no proper investigation into sub-strata conditions and whether persistent desiccation may exist; nor appropriate consideration of the structures surrounding or what foundation or other structural works, if any, may have been done to those properties, the policy-

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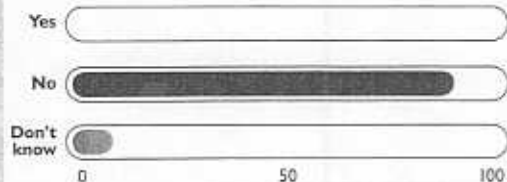
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## Post Magazine News Barometer

Last week, on its website, [www.postmagazine.co.uk](http://www.postmagazine.co.uk), PM posed the question: Do you expect the Financial Services Authority to give the payment protection insurance market a clean bill of health? The barometer shows the result. Check the website on Thursday for this week's question.

Do you expect the Financial Services Authority to give the payment protection insurance market a clean bill of health?



holder is left with repairs and an alleged clean bill of health that may subsequently prove defective. This may only come to light at a later date or, inconveniently, when they attempt to sell the property.

The publication of a Customer Subsidence Charter [as outlined by the Subsidence

Forum] will prove to be as hollow and worthless as all the charters published by various bodies during the past decade.

*Uberrima fides* applies equally to insurers, and is already an implied term of their contract with policyholders that they will treat people fairly, with respect and integrity.

Policyholders do not need a charter. They need appropriate and timely attention; proper investigation into causation, with a tailored technical solution; a clear explanation of their rights and entitlements, including the right to the reasonable costs of engaging their own engineer or surveyor to oversee reinstatement; and to have the works competitively tendered and executed by contractors of their or their professional's choice.

The solution to building claims is radical but relatively simple. We are a prosperous society and building insurance is cheap, too cheap to provide a decent claims service. The premiums should be increased by 20% and have a standard excess of £1000 applied to all perils.

Policyholders already regard insurance premiums as a necessary evil, and any initial resentment will dissipate. A lot of money will be saved, a lot more made, and the facility will exist to focus attention on delivering the very best claims service where and when it is needed. And we might even be able to keep some of our trees.

**Steven Newman**  
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## 2005 insurance five-a-side football

The fifth annual Insurance 5's football competition will be held on 2 October at the Goals Soccer Centre, Wimbledon. Organised in association with *Post Magazine*, it is open to teams from any organisation involved in the insurance sector.

This year, the competition moves from its previous home at Wembley after it was decided Wimbledon had more modern facilities. Also, as it is situated just off the A3, the new location is within easy reach of London and the M25 orbital.

The competition format is designed to give everybody a great day's football, with men's and (if we can get at least four teams) women's competitions. It begins with mini-leagues, followed by cup and plate knockouts, so all teams will get at least four games and a minimum of 60 minutes of football.

Teams are drawn into groups of between four and six, depending on overall numbers. The top two teams will go through to the cup and the rest into the plate competition. The teams then progress under normal knockout cup conditions.

Companies can enter as many teams as they like — men's and women's (but not mixed) — comprising of a maximum of eight players. The cost of entry per team is £340 + vat, which includes a

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