



6 September 2016

Prestige Underwriting  
E Mail to :  
gabrobins@prestigeunderwriting.co.uk

Our Ref: 1308651  
Your Ref: 251998/HSA/2016

**REPORT 1 - PRELIMINARY REPORT FOLLOWING COMPLETION OF INITIAL VISIT**

**POLICY NUMBER** B16/0107586  
**NAME & ADDRESS OF INSURED** MF William & Mrs Laura Oddie  
31 Heath Hurst Road, London, NW3 2RU  
**SITUATION OF LOSS/DAMAGE** 31 Heath Hurst Road, London, NW3 2RU  
**TRADE/OCCUPATION** Householders  
**VAT STATUS OF INSURED** Not Registered  
**DISCOVERY** 18 August 2016  
**AREA OF DAMAGE** Front Bay  
**CAUSE** Subsidence  
**THIRD PARTY ASPECT/CONTRIBUTION** Local Authority  
**ADEQUACY OF SUM INSURED** Adequate  
**RESERVE FOR INSURERS** [REDACTED]

**DESCRIPTION**

Buildings



<b>FIRST CONTACT</b>	31 August 2016	<b>INSTRUCTIONS RECEIVED</b>	30 August 2016
<b>DELEGATED AUTHORITY</b>	Y	<b>FIRST VISIT</b>	7 September 2016
<b>SUBSIDENCE CONSULTANT</b>	Gordon McEwan	<b>POLICY EXCESS</b>	[REDACTED]
<b>CURRENT POSITION</b>	Prelim report complete	<b>ACTION</b>	Site investigations and level monitoring to be arranged

Site plan, photographs and letter to Insured enclosed.

**Gordon McEwan BSc (Hons) Cert CILA**  
**Subsidence Division**  
**Direct Dial: 07500 891857**  
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**Direct Fax: 0121 200 0309**  
**axasubsidence@crawco.co.uk**

Chartered Loss Adjusters

## **COMMENTS**

Policy inception date 16/2/2016. ABI option 3 applies – 50% contribution from previous insurer.

## **DESCRIPTION**

The property occupies a reasonably level site with no unusual or adverse topographic features. The property comprises a three storey semi-detached house of traditional construction with brick walls surmounted by a pitched tiled roof.

## **AGE AND CONDITION**

To property is constructed c.1900 and is adequately maintained.

## **DISCOVERY**

The damage was first noticed in July but was minor and of no cause for concern. Damage worsened and became of concern by mid-August and hence Insurers were notified.

## **DAMAGE**

### **Internal**

#### **Hall/Stair/Landing**

Cracking to Victorian tiled hallway floor.

Multiple diagonal cracks to internal dividing wall to lounge up to 1mm in width.

Cracking to ceiling.

#### **Ground Floor Front Lounge**

Multiple diagonal cracks to internal dividing wall to hall up to 2mm in width.

Diagonal cracking above left hand side of bay window up to 3mm in width.

Diagonal cracking below right hand side of bay window up to 1mm in width.

Separation around bay window frame.

#### **First Floor Front Office**

1mm vertical cracking to wall junctions below bay window.

Minor cracking above bay window.

### **External**

#### **Front Bay**

1mm cracking to sill.

1mm diagonal stepped cracking below right hand side of bay window.

2mm cracking through brickwork to base of left hand window pier.

Separation to brick arch.

## **CAUSE**

The pattern and nature of the cracks is indicative of an episode of subsidence. The cause of movement appears to be clay shrinkage.

The timing of the event, the presence of shrinkable clay beneath the foundations and the proximity of vegetation where there is damage indicates the shrinkage to be root induced. This is a commonly encountered problem and probably accounts for around 70% of subsidence claims notified to insurers.

Fortunately, the cause of the problem (dehydration) is reversible. Clay soils will re-hydrate in the winter months, causing the clays to swell and the cracks to close. Provided the cause of movement is dealt with (in this case, vegetation) there should not be a recurrence of movement.

**RECOMMENDATION**

Although the cause of the movement needs to be dealt with, we note the involvement of a Local Authority tree. Unfortunately, they will require certain investigations to be carried out to demonstrate the influence of their vegetation.

Typically, these investigations would involve trial pit(s) to determine the depth and type of footings, boreholes to determine the nature of the subsoil/influence of any roots and monitoring to establish the rate and pattern of movement. It may also be necessary to obtain a specialist Arboricultural Report.

We will report further once these investigations have been completed.

**THIRD PARTY ASPECTS**


ABI Domestic Subsidence Agreement – *ABI option 3 applies.*

ABI Tree Root Agreement: Not applicable

Contribution: *50% contribution from previous insurer*

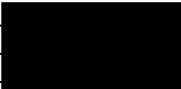
Recovery: *Local Authority*

**RESERVE FOR INSURERS**

Investigation	
Drains	
Trees	
Underpinning	
Superstructure	
Other ( <i>e.g. monitoring, Party Wall Fees, customers engineers fees</i> )	
Business Interruption ( <i>delete if not required</i> )	
Less excess	
<b>SUB TOTAL – Buildings</b>	
Alternative accommodation	
<b>RESERVE</b>	
<hr/>	
Crawford Fees & Expenses	
<b>Total</b>	

**Worst Case Estimate:**

We have estimated a worse case reserve on that basis that the Council do not remove the tree and we require partial underpinning and alternative accommodation.

Estimate	
Estimated likelihood	

**UNDERWRITING ISSUES**

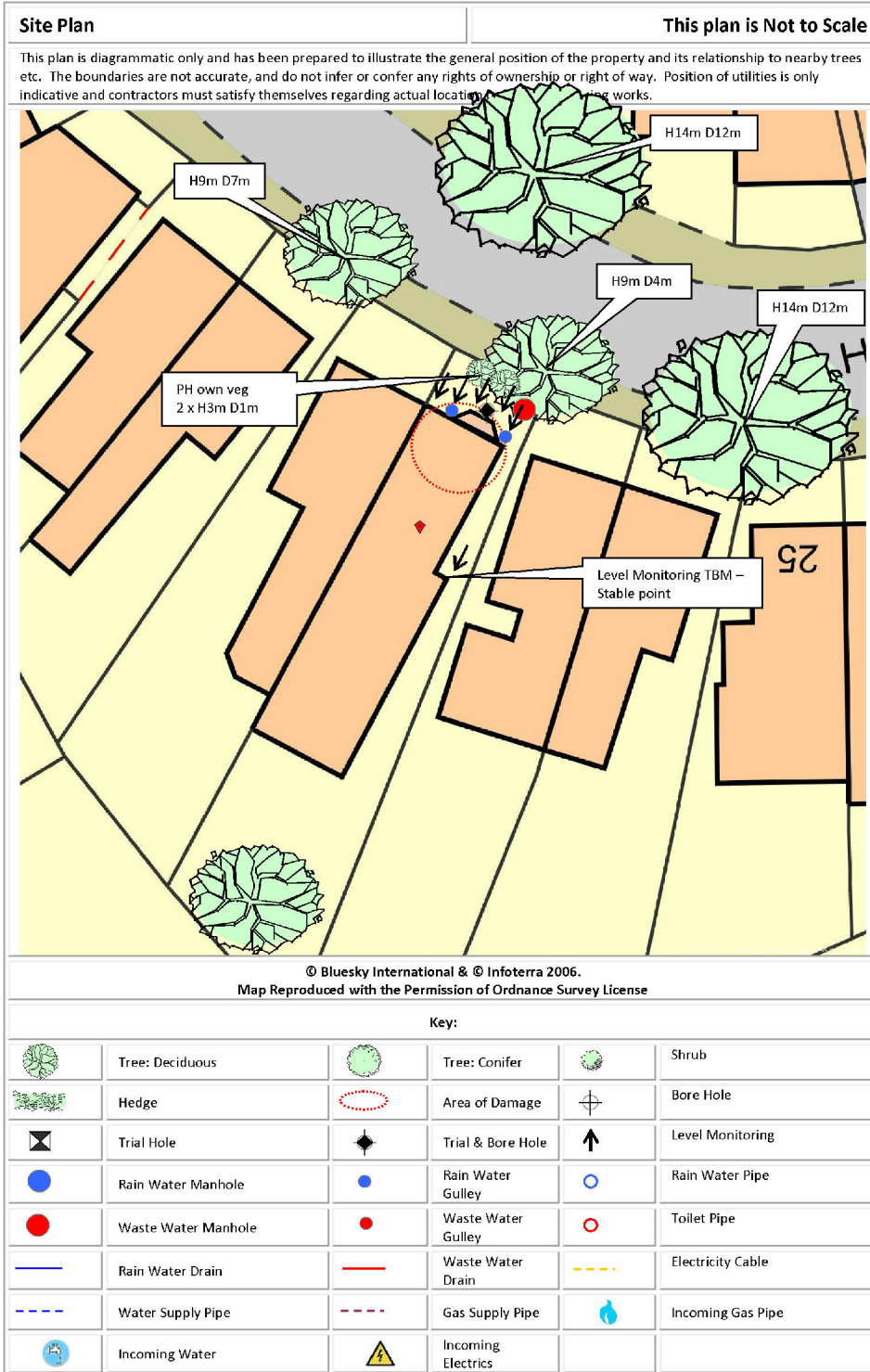
No issues to consider.

**ACTION PLAN**

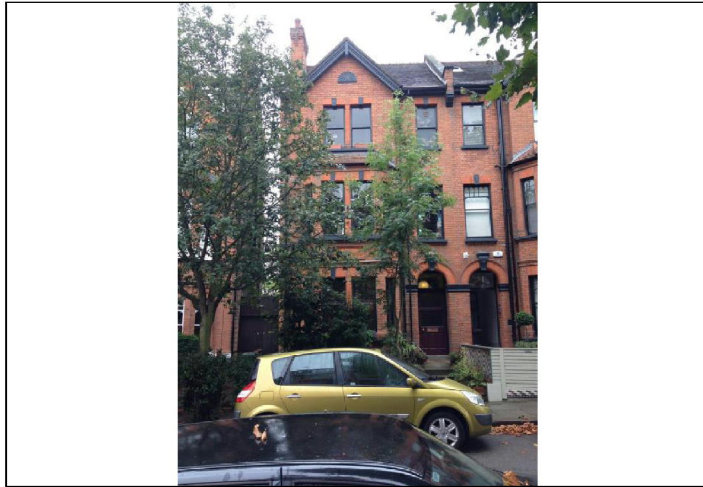
<b>KEY STAGE</b>	<b>Target Date</b>
Site investigation	October 2016
Mitigation	September 2017
Monitoring completed	September 2017
Commence Repairs	November 2017
Anticipated completion of claim	December 2017



**APPENDIX 1: DRAWINGS**



**APPENDIX 2: PHOTOGRAPHS**



Front of property



Local Authority vegetation to front



Ground Floor Lounge

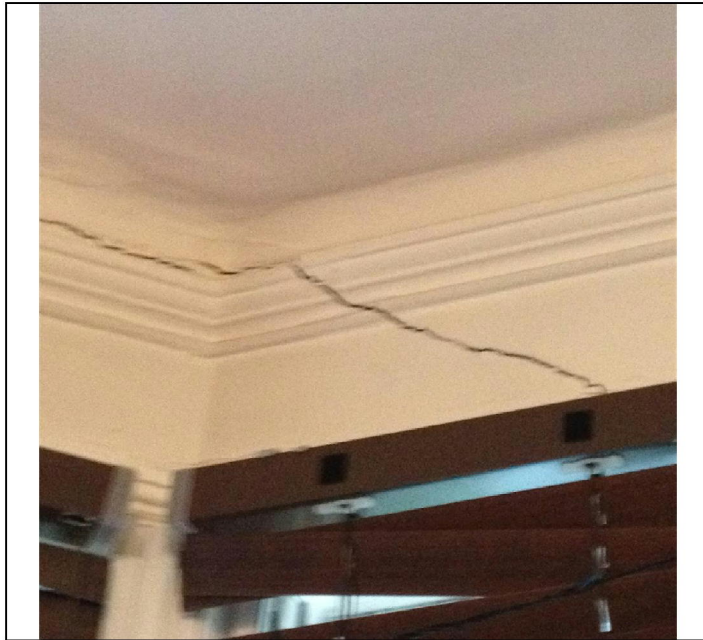


Ground Floor Lounge

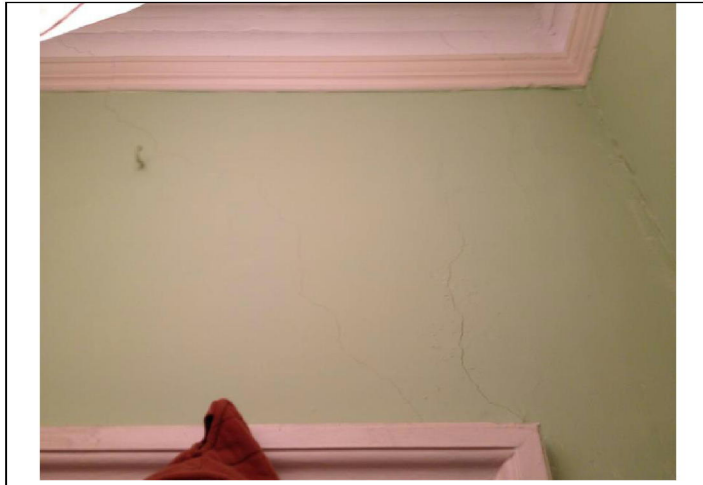




Ground Floor Lounge



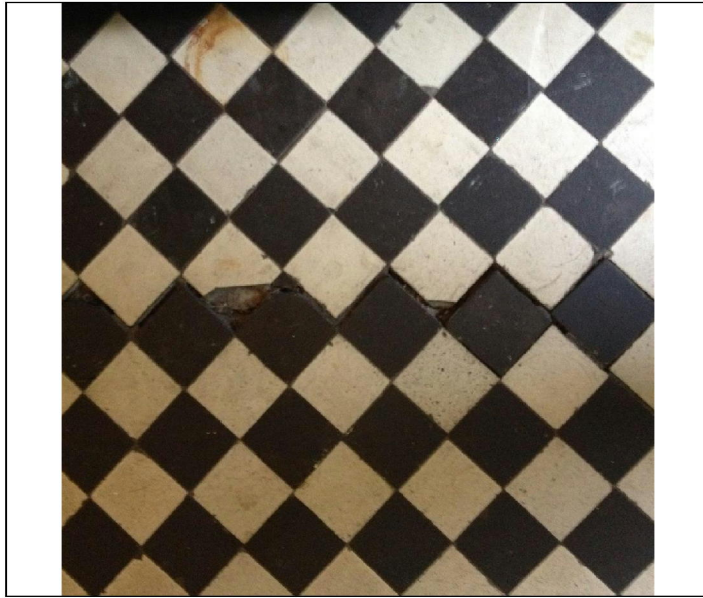
Ground Floor Lounge



Hall



Hall



Hall



First floor front office



First floor front office



First floor front office



First floor front office



Cracking to bay



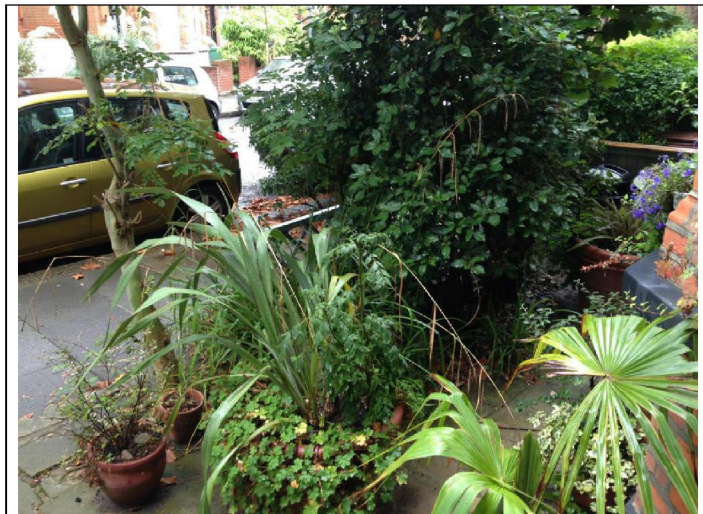
Cracking to sill of bay



Cracking to pier of bay



Separation to brick arch to front bay.



Insureds own vegetation to front 2 x small deciduous trees – may require removal

