

The complaint

Mr B and Ms H complain about Ageas Insurance Limited ("Ageas") following an escape of water at their home and the subsequent repair works. Mr B and Ms H are unhappy about damage to their kitchen when it was removed and reinstated. They want Ageas to pay for a replacement kitchen to achieve a uniform look.

What happened

In around June 2018, Mr B and Ms H became aware of a leak underneath their ground floor bathroom floor. Tests showed that the leak was coming from the toilet waste pipe and that mould spores were present throughout the ground floor of the property.

Mr B and Ms H, along with their pets, moved out of the property into alternative accommodation while work was undertaken to fix the leak.

Around September 2018, it became clear that more rooms on the ground floor were affected by the leaked water, including the kitchen.

Ageas commissioned a schedule of works to be prepared, setting out the work to be done in drying out the property, and repairing damage caused by the leak.

Mr B and Ms H engaged their own loss assessor, who inspected the kitchen and did not note damage to the units. Ageas decided that the kitchen base units needed to be removed and stored while the kitchen was dried out, and then reinstated. A sum was agreed as a cash settlement for Mr B and Ms H to engage their own contractors for the removal, storage and reinstallation of the kitchen.

The kitchen was removed and stored in the property while work continued.

When the property was dry, Mr B and Ms H's contractors attended and refitted the kitchen.

It became clear that some base units, facings / plinths, and cupboard doors had been damaged in the period since the first schedule of works was prepared. The worktop too had suffered delamination at the join where two pieces were affixed into a corner. Further delamination was identified in other locations.

Mr B and Ms H complained to Ageas and felt that the kitchen was not being put back to the position it was before the original leak. Mr B and Ms H have other complaints with Ageas relating to home contents, relocation, delay in the works and issues with the water system. These are being looked into under other complaints and are not part of this complaint.

Ageas considered that any damage sustained or identified, after the initial schedule of works was prepared, was due to the contractors, chosen by Mr B and Ms H's loss assessor, who removed and reinstalled the kitchen, and that any moisture damage sustained in the interim was due to the way it had been stored. Ageas did not, therefore, uphold the complaint.

Mr B and Ms H came to us. They obtained an expert view which explains that kitchens are largely designed for single installation and the materials that they are made from (predominantly chipboard) are prone to damage when removed and reinstated.

The expert considered that some level of damage in the process of removal, storage and reinstatement of a kitchen of the same age as Mr B and Ms H's kitchen was inevitable. Mr B and Ms H therefore consider that Ageas remains responsible for the damage sustained to their kitchen.

One of our investigators has looked into this matter and set out her view to the parties. This was that the damage which was inevitable in the removal and reinstallation of a kitchen of this age, should be covered by Ageas – this included the unit fronts which were damaged in the removal/reinstallation process, and the worktop where the surface delaminated at the join during separation or reinstatement.

She considered that damage which was caused by either the storage of the kitchen or any other incident, should not be covered by Ageas.

She also considered that Ageas should pay 50% of the cost of replacement of the undamaged unit fronts which would require replacing to make the kitchen match again.

Neither party accepted this. Mr B and Ms H felt that Ageas should pay the entire cost of replacing the unit fronts in order to return them to having an undamaged kitchen, as they had before the escape of water.

Ageas does not consider that it is responsible for any damage to the kitchen units and believes that to pay for 50% of the undamaged unit fronts is excessive and unfair to its other policy holders.

The complaint has therefore been referred for a 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 have paid particular regard to the photographs of damage sustained, and the reports provided by Ageas and Mr B and Ms H's experts.

I appreciate that Mr B and Ms H have reported a number of issues which flowed from the leak and which have caused them excessive distress and inconvenience, including by having to live away from their home for a considerable period, and suffering associated health impacts. I understand these issues as context, and that these issues are being considered elsewhere, but want to acknowledge how difficult this period must have been for them.

I also understand Mr B and Ms H's feelings about the view issued by my colleague. They have indicated that they do not consider that they should have to pay anything towards a replacement kitchen in order to achieve a consistent aesthetic, because that is what they had before the leak occurred. I have sympathy with this view, but have to bear in mind the extent of cover that was offered under their chosen policy, and what can be shown to be the responsibility of Ageas. The particular policy Mr B and Ms H chose allowed Ageas to choose how it settled claims, including deciding whether to replace or repair of damaged items. This meant that Ageas retained discretion in how to settle the claim, so long as it repaired or replaced all damaged items for which it was responsible.

My colleague set out her view explaining that she considered that damage to the kitchen units caused by moisture and / or contact with a damp surface would have manifested reasonably promptly after the leak and would have likely been observed by the loss adjuster and loss assessor at the time of inspection.

She also considered that the evidence demonstrated that some degree of damage to the chipboard/particleboard kitchen was inevitable through the removal and reinstatement of a kitchen which had been intended for single installation.

I agree with her assessment and her view that damage which manifested promptly after the leak, or which was likely caused by Ageas' decision to remove and reinstate the original kitchen, is damage which Ageas is responsible for. This included damaged worktops where re-joining the worktop was not possible without causing delamination, and those unit fronts and sides which became chipped during the removal or reinstatement of the kitchen.

Mr B and Ms H did not agree with this view. They felt that the kitchen units were materially weakened by the decision to remove and reinstate them, and that their being stored within the damp property caused additional damage, making them more susceptible to impact chips.

I understand this, but the storage and reinstatement of the kitchen were both contracted by Mr B and Ms H's loss assessor, and so were not within Ageas' control. I do not think it would be fair to hold Ageas responsible for damage sustained when the kitchen was outside of its control.

Ageas accepted this initial part of the investigator's view, but in the interim it had emerged that the damaged kitchen unit fronts could not be replaced without causing a mismatch in the look of the kitchen. The investigator therefore issued a second view and considered that Ageas should pay 50% towards the replacement of the remaining unit fronts so they could be completely replaced in order to achieve a consistent aesthetic to the kitchen.

Ageas has not accepted that part of the view and has relied upon its policy wording which does not provide cover for matching sets when only part of the set is damaged.

Mr B and Ms H do not think that a 50% reimbursement is adequate indemnity from the damage caused by the leak as they initially had a matching kitchen free from chips and damage.

I understand both views but agree with the investigator's assessment and her application of our approach to loss of match. I think that this is a fair outcome.

Consequently, I uphold Mr B and Ms H's complaint and direct that Ageas Insurance Limited take the following actions to put things right.

Putting things right

Ageas should pay for replacement parts and installation of:

- The worktop which could not be successfully re-joined;
- The units and unit fronts damaged by impact or removal/reinstallation;

In addition, I direct Ageas Insurance Limited to pay 50% of the cost of supplying and installing comparable kitchen unit fronts to the remainder of the kitchen

Mr B and Ms H should, via their loss assessor, submit proposals for the scope of the repair and costs to Ageas for validation.

Ageas should validate the proposals or enter into discussion over alternatives within 28 days of receipt of the proposed scope.

My final decision

For the reasons set out above, I uphold Mr B and Ms H's complaint about Ageas Insurance Limited and direct Ageas Insurance Limited to:

- Pay Mr B and Ms H for replacement parts and installation of:
 - The worktop which could not be successfully re-joined;
 - The units and unit fronts damaged by impact or removal/reinstallation;
- In addition, I direct Ageas Insurance Limited to pay to Mr B and Ms H 50% of the cost of supplying and installing comparable kitchen unit fronts to the remainder of the kitchen.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Ms H to accept or reject my decision before 26 March 2021.

Laura Garvin-Smith
Ombudsman