

## **The complaint**

Mr G complained about the quality of his kitchen reinstatement provided under his home insurance policy. The work was carried out by Zurich Insurance plc ("Zurich") following an escape of water claim.

## **What happened**

### **What happened**

Following an escape of water, Mr G's kitchen was damaged. Under the claim settlement, Zurich agreed to replace the kitchen and Mr G agreed to use one of Zurich's contractors to supply and install it.

Zurich's contractor met Mr G to organise the replacement kitchen, including taking measurements for the new kitchen. Mr G chose the type of kitchen he wanted installed by the contractor. The contractor then designed the kitchen. Mr G said he raised some questions about losing space in his kitchen units e.g. where two drawers were being replaced by one drawer. Mr G said the contractor reassured him that the size and space of the new kitchen would be similar in size and quality to his old kitchen. Zurich said Mr G signed off the designs that were produced for his new kitchen.

During the kitchen installation, Mr G raised several issues with the kitchen that was been fitted. Many of these issues were linked to a reduced size or functionality of his new kitchen e.g. less cupboard space, loss of corner units, appliances not fitting well in open spaces. Mr G said he wasn't reimbursed for taps or filler he purchased himself, which cost him £63.99.

Zurich said *"the installation [of the kitchen] was carried out in line with the design that was provided to the contractors. I am sorry you have been unhappy with the final finish, however, as this was in line with the agreed design we are unable to consider this element further"*. Zurich did compensate Mr G £600 for some delays to the progress of his claim and for times where it felt it should have communicated better with Mr G. Mr G remains unhappy as he felt Zurich haven't met the terms and conditions of his policy and not replaced his kitchen with one on a like for like basis.

Our investigator decided to uphold the complaint. He thought Zurich had been unfair in not reimbursing Mr G for the taps and filler, so he asked Zurich to reimburse this. However, he thought the process Zurich followed to supply and install the replacement kitchen was reasonable. He thought as Mr G had been involved in the design and had signed the design off, it wasn't fair to uphold this part of the complaint, as Zurich had delivered a kitchen that matched the design. Mr G disagreed, so the complaint has been referred to 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.

As Mr G felt the terms and conditions of the policy weren't met, I have first checked what the relevant part of these say. I can see the policy says it will reinstate damage from an insured

peril – Zurich accepted that damage occurred. The definition of what reinstatement should be expected is set out below:

***“Reinstatement***

- a) *The rebuilding or replacement of property lost or destroyed which may be carried out:*  
i) *in any manner suitable to the requirements of the insured*

*in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new”.*

Therefore, I agree with Mr G that any reinstatement / replacement needs to provide a *“condition equivalent to or substantially the same as than its condition when new”*. I have reviewed the process that Zurich employed to have Mr G’s kitchen reinstated. It appointed one of its approved contractors – this is not unusual in the industry. Insurers will have relationships with certain suppliers that are trusted – based on a history of receiving reliable products and services at a reasonable price. Zurich appointed its contractor who it had a long-term relationship with, so I don’t think this approach is unusual or unreasonable.

Zurich’s contractor presented a range of units to Mr G to select from. Mr G said the range was small, but he nonetheless selected a type of unit to progress the reinstatement with. The contractor set-up Mr G with one of its design team who designed the new kitchen based on Mr G’s requirements which was like his old kitchen. I have noted that Mr G asked the designer questions about the new kitchen during this process.

I can see that once the design process was completed the design was presented to Mr G, who subsequently signed it off by sending a confirmation email saying *“thanks for the plans it all looks good to me, so please proceed”*. If Mr G had any issues with his kitchen design at this point, I don’t think he should have signed the design off. In doing so, I think Mr G has indicated he was happy with both the units selected and the design of those units. I have checked the email trail between Zurich’s contractor and Mr G during this process – I can see Mr G had a dialogue with the contractor on the design and asked for some minor changes. I think this demonstrates the design was clear and Mr G inputted into it at all stages.

Given Mr G had signed off on the design of the kitchen, I think it would be fair for Zurich to have assumed that Mr G was happy with the proposals for the new kitchen. However, once the kitchen was being installed, Mr G raised several issues where he was unhappy with the size of his new kitchen space or lack of storage space. Zurich has said it installed the kitchen to the design that was signed off by Mr G. I haven’t seen any evidence presented to suggest this isn’t the case. The installed kitchen appears to match the kitchen design.

Mr G said *“I was not asked (and could not reasonably be expected) to scale off the plans and check the dimensions as if I was a professional surveyor. Zurich had no reasonable basis to assume that I had, and failed properly to consider my objections when I raised them”*. I agree I don’t think Mr G should be expected to be a professional surveyor. However, I haven’t seen anything presented that suggests the design process Zurich’s contractor followed is different to any other kitchen supplier. A comprehensive and scaled plan was provided accompanied by dimensions as well as a panoramic virtual picture of the kitchen. Mr G then signed this off. I think Mr G did have a responsibility to check he was happy with the design before emailing to say he was happy for the install to proceed. I think Zurich would assume he had done this when he signed it off. Therefore, I don’t think Zurich has done anything wrong as it has installed the units consistently with the design Mr G signed off and approved. I think Zurich has met its terms and conditions. Therefore, I won’t be awarding any compensation in relation to the design or install of the kitchen.

I appreciate Mr G said Zurich or its contractors didn't investigate the issues related to his kitchen. However, I don't think it ignored these points. Zurich told Mr G that as the design had been signed off any changes would incur an additional cost. Zurich felt they had acted reasonably by following the design when installing the kitchen. I don't think Zurich acted unfairly with Mr G - it communicated its perspective with him.

I think Zurich has been reasonable in saying any changes that were not incorporated into the design would now incur a cost to implement. If there had been any part of the design that didn't meet certain regulations, then I think that would be different, but no evidence has been provided to suggest any regulations have been breached.

I can see there was a misunderstanding with the taps and filler. Mr G said that this would be reimbursed, but Zurich has since said the taps weren't damaged by the incident so weren't covered by the policy. However, Zurich's contractor did dispose of the taps with the rest of the kitchen. Therefore, as these were no longer available for Mr G to use, I think it's only fair Zurich reimburse Mr G for these costs (£63.99). Therefore, I uphold this aspect of the complaint.

Mr G said Zurich hadn't yet paid the £600 compensation it had offered. If it still hasn't it should pay this.

### **My final decision**

My final decision is I uphold this complaint, I require Zurich Insurance plc to:

- Reimburse Mr G £63.99 – for the taps and filler
- Pay Mr G £600 compensation for communication issues (if it hasn't already).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 17 June 2022.

Pete Averill  
**Ombudsman**