

## **The complaint**

Mr B and Ms S complain that the settlement offer from Wakam doesn't cover the cost of repairs to their damaged flooring, under their buildings insurance policy.

I will refer to Mr B for ease of reading in my decision.

## **What happened**

In January 2022 Mr B noticed the laminate flooring in his living room was damaged. He contacted Wakam and it arranged for an inspection. The claim was accepted. Mr B says Wakam didn't want to include the skirting boards within the claim. But when the flooring had originally been laid, this was done prior to fitting the skirting. Mr B says this is how he wanted the new laminate to be fitted. He says the proposed use of an edging strip would result in an inferior finish.

Mr B thought the flooring in the hallway should also be replaced as the same flooring had been laid without a break. Wakam initially declined to cover the hallway flooring. Later on, it offered a payment to cover a quote Mr B had obtained to replace all the flooring. Albeit the payment it offered excluded the skirting boards.

Mr B didn't think this was fair and referred the matter to our service. Our investigator upheld his complaint. She says Wakam should replace the flooring and include any costs relating to the skirting boards. In addition, she thought Wakam should pay £150 for the trouble and upset caused due to the delay in settling the claim.

Wakam disagreed. It says if it isn't possible to determine whether the skirting boards can be reused it would be fair to allow its preferred contractors to undertake the work. It says the contractors could then be paid for the actual work completed. Wakam also says Mr B hadn't asked for compensation in his complaint. It says this point should be referred to it, in the first instance, to consider.

Because an agreement couldn't be reached the complaint has been passed to me to decide.

## **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.

Having done so I've decided to uphold this complaint but with a minor change to the wording of the remedy proposed by our investigator. I notified both parties of this change to allow them to comment further and provide any additional information. I've now considered both parties responses.

I can see that Wakam accepted Mr B's claim, which it has categorised as accidental damage due to a spillage. Mr B's policy excess in these circumstances is £100. I can see that initially it was thought a £500 excess fee applied. But Wakam has confirmed the lower excess charge of £100 applies in these circumstances.

I've seen photos that show the flooring in Mr B's living room and through into his hallway. There is a doorway between the two spaces, albeit there is no divider separating the two areas. As Mr B says, the same laminate flooring and manner of fitting were used throughout these areas. I can understand his concern that a partial repair, including only the living room flooring, would result in a mismatch. In the circumstances I think it's reasonable that Wakam agreed to pay to replace both the flooring in the hallway and living room.

From the images supplied the laminate has been laid beneath the skirting. This forms a neat edge without the requirement for an edging strip. I can understand why Mr B wants the replacement flooring to follow the same method of fitting. He describes how this was a conscious decision when the flooring was originally laid. This was done at an additional cost to achieve a neater finish.

I note Wakam's comments that it isn't required to pay for areas that weren't damaged by the spillage. It says its inspection didn't identify any damage to the skirting boards.

I agree the policy is expected to repair damage resulting from an insured cause. Accidental damage due to a spillage in this case. But Wakam is expected to put Mr B back in the position he was in, prior to his loss and in line with his policy terms. It should do so by implementing an effective and lasting repair.

I've read the quotes Mr B obtained. Wakam has based its settlement offer on the company I will refer to as builder A. Builder A states the existing skirting boards are to be removed and replaced with new. It also includes "*refilling*" and painting of the skirting boards. The cost of the work comes to £3,775.62.

Another of the quotes Mr B obtained says, "*skirting removal, safe for reuse – prior to new floor fitting*". It also includes, "*repairs of any damages made prior skirting removal*". The cost for this quote is £5,360.

The final quote sent via text message is limited in detail. But it does say that skirting is to be replaced, with a total cost for the repairs amounting to £3,710.

Wakam highlights the quote Mr B supplied that says the skirting can be re-used. I acknowledge its comments. But I note this isn't the quote it based its settlement on. This quote is significantly higher than the other two. I also note Mr B says he spoke to one of the builders who advised him that removing and refitting the skirtings would likely cause damage. This would require repairs to the plasterwork, some re-painting and could damage the wood.

I've thought about this point. Two of the three contractors Mr B approached thought that replacing the skirting was necessary to complete the repairs. Although the remaining contractor didn't. It quoted significantly more. On balance I think it's probable that damage would result to the skirting boards when being removed, in addition to some damage to the walls.

Wakam didn't base its settlement offer on the higher quote that retained the original skirtings. It based its offer on the quote that replaced the skirting. I don't think it's fair for Wakam to rely on the more expensive quote regarding the approach to the skirting, whilst offering a settlement based on builder A's lower quote.

I note the repair quote Wakam obtained from its preferred contractor is higher than the quote for builder A. This is the case even though this didn't include the skirtings in its costings.

Having considered all of this I think an effective and lasting repair, that places Mr B in his

pre-loss position, requires the skirting boards to be removed prior to laying the laminate flooring. The skirtings can then be replaced, and any damage made good. Mr B's objection to Wakam's contractor carrying out repairs is that it wouldn't remove the skirtings. I think it's reasonable to allow the business the option of arranging the repairs. If it agrees to remove the skirtings before laying the flooring and makes good any damage. Alternatively, I think it's fair that Wakam should pay the full cost of the work set out in builder A's quote.

I've thought about the impact the delay in resolving this claim has had. Wakam says this isn't something Mr B raised in his complaint and so our service shouldn't consider compensation here. I disagree.

Where a business has treated its customer unfairly, as Wakam has here, we can make an award to put right the impact this has had. There has been a delay in settling the claim fairly, which has undoubtedly caused inconvenience and been frustrating for Mr B. Because of this I agree with our investigator that Wakam should pay Mr B £150 compensation to acknowledge the inconvenience and frustration it caused.

### **My final decision**

My final decision is that Wakam should:

- arrange for the repairs to be completed by its preferred repairer, removing the skirting prior to laying the flooring, followed by replacing the skirting and making good any damage caused in the process; or
- pay the full cost of the quote Mr B obtained for £3,775.62; and
- pay Mr B £150 for the distress and inconvenience it caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Ms S to accept or reject my decision before 13 February 2023.

Mike Waldron  
**Ombudsman**