

## **The complaint**

Mr and Mrs T complain about Lloyds Bank General Insurance Limited's handling of a claim they made under their home insurance policy.

Lloyds is the underwriter of this policy i.e. the insurer. Part of this complaint concerns the actions of its agents. As Lloyds has accepted it is accountable for the actions of the agents, in my decision, any reference to Lloyds includes the actions of the agents.

## **What happened**

In October 2022, Mr and Mrs T made a claim under their home insurance policy with Lloyds after an escape of water caused damage to their kitchen.

Lloyds accepted the claim and arranged for strip out works and drying works to be completed before installing a replacement kitchen.

Mr and Mrs T raised a number of complaints about Lloyds' handling of their claim. They were unhappy that Lloyds delayed ordering a replacement kitchen. They say they were coerced into having a kitchen of lower quality from a supplier they wouldn't have chosen. They also raised several concerns about Lloyds' communication with them and the installation of the kitchen.

Lloyds didn't agree that Mr and Mrs T were pressured into accepting a kitchen they didn't want. It said it had tried to get a kitchen from Mr and Mrs T's preferred supplier, but as Mr and Mrs T had specifically requested the kitchen be in before Christmas, it had very little option as to who it could use.

Lloyds acknowledged there were some snagging issues with the kitchen and said it could arrange for recommended works to be done or offer Mr and Mrs T a cash settlement. It also agreed with some of the customer service issues Mr and Mrs T had raised. It paid Mr and Mrs T a total of £800 compensation in recognition of the poor service they'd received.

Mr and Mrs T remained unhappy and asked for their concerns to be considered by our service. Our investigator didn't think it was unreasonable for Lloyds to wait for the drying process to be completed, before ordering a replacement kitchen. He didn't think there was sufficient evidence to show that Mr and Mrs T had been forced into taking a kitchen from the supplier that had provided it.

The investigator didn't think Lloyds had communicated with Mrs T as clearly as it should have done in November 2022. He also thought Mr and Mrs T had been caused distress and inconvenience because of poor workmanship on the kitchen. He recommended Lloyds pay Mr and Mrs T an additional £300 compensation.

Mr and Mrs T disagreed with our investigator's outcome. They said that although they'd accepted a kitchen from their preferred supplier wouldn't be delivered, Lloyds' builder had told them there was only one option. They'd clearly stated that they didn't want a kitchen in the colour they were given. They were only shown a picture of it online, not a sample. The

supplier had acted on the builder's instructions. They hadn't signed any paperwork to accept the kitchen.

Mr and Mrs T also commented that the units from their preferred suppliers could have been ordered and stored. The kitchen they were given was not like for like and there were other kitchen suppliers who could have provided items within a short timeframe. They said the kitchen range they were given is now discontinued. It was discontinued without their knowledge whilst being installed. They would never have installed a discontinued range knowing possible problems in obtaining replacement faulty goods.

As Mr and Mrs T disagree with our investigator's outcome, their 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 reached broadly the same conclusions as our investigator. I'll explain why.

I've considered everything Mr and Mrs T have told our service, but I'll be keeping my findings to what I believe to be the crux of their complaint. I wish to reassure Mr and Mrs T I've read and considered everything they have sent in, but if I haven't mentioned a particular point or piece of evidence, it isn't because I haven't seen it or thought about it. It's just that I don't feel I need to reference it to explain my decision. This isn't intended as a discourtesy and is a reflection of the informal nature of our service.

### Choice of kitchen

The policy's terms and conditions say:

*"We'll replace an item with a new item on a like for like basis. When we say 'like for like basis', we mean we'll try to replace it with an exact match. If we can't find an exact match, we'll replace it with the nearest equivalent."*

*By 'nearest equivalent' we mean an item of the same quality and same specification."*

Mr and Mrs T's main concern is that the kitchen that's been installed is from a supplier (I'll refer to as "H") rather than from their preferred supplier ("A") who supplied their original kitchen.

Mr and Mrs T believe they could have got their kitchen from A, and still had the work completed by Christmas if Lloyds had placed the order sooner. Lloyds says a replacement kitchen would not be ordered until a property is dry, as potentially it could be available before it could be fitted and would need to be stored on site. I don't think this was unreasonable.

Mr and Mrs T have referred to a note by Lloyds which refers to a two to three week lead time for delivery of units from A and says the builder needed to make an urgent decision so they could be ordered. However, I can't tell who left the note or what their role might have been in deciding when the units needed to be ordered. So, this isn't enough to persuade me that Lloyds should have ordered replacement units sooner.

Mr and Mrs T say they would never have sought a kitchen from H, which they believe has provided an inferior kitchen in both quality and design. They say the replacement kitchen

wasn't "*like for like*" as the units from A were fully wrapped. They also say they made it clear to the kitchen installer that they did not want a kitchen in the colour that they've been given.

Lloyds says Mr and Mrs T confirmed over the telephone that they didn't want to use A and would prefer to use H. It says they approved the kitchen before it was ordered. They had several opportunities to raise any concerns before it was fitted, but they didn't.

Lloyds says Mrs T requested that the kitchen was installed before Christmas. The lead time for a kitchen from A was three weeks from the date of order. It says the option to use H was put forward to Mr and Mrs T as they had a very short lead time and provided a design and sample service. Mrs T was under no obligation to accept a kitchen from H and could have explored the option to use A or any other supplier. Mrs T placed herself under a self-imposed deadline to have a replacement kitchen fitted before Christmas.

I've listened to a telephone conversation between Mrs T and Lloyds which took place a few days after a representative from H visited her property. Mrs T expressed her concerns that her claim was progressing too slowly, and her kitchen might not be ready for Christmas, with only four working weeks to go. She said she and her husband had no family members to go to and everywhere she'd looked at was fully booked.

She confirmed that H had visited and said: "*I really don't want to go back to A, because one – A are going to make us wait three weeks before they even wrap the units, so I'm definitely not going to have a kitchen for Christmas. And if there's only £1,000 or so difference, I'd prefer to do that but only as a last resort*".

Mrs T said she was hoping the claims handler would call later "*with a price from H and whether we're going with H or not, because I need to know*".

Mr and Mrs T say they were coerced into accepting a kitchen from H and they believe this was because it was cheaper than a kitchen from A. They've referred to a note made by Lloyds which says the claim handler was happy with H to be ordered as "*overall best option and A worked out too expensive*". However, the telephone recording indicates that Mrs T chose to have a kitchen supplied by H, rather than by A.

Mr and Mrs T might have felt pressured to make a quick decision about accepting a kitchen from H because of concerns about not having a functioning kitchen before Christmas. But I haven't seen sufficient evidence to persuade me that Lloyds (or its agents) coerced them into taking the kitchen from H.

Mr and Mrs T say they made it well known to all involved that they didn't want the kitchen they were given, it wasn't chosen by them, and they had never seen a unit sample in their home. They say they told the builder that they didn't want a kitchen in the colour they were given.

However, Mrs T has told us these conversations were face to face, so I have nothing to show me exactly what might have been said. The first record of Mrs T telling Lloyds that she didn't like the replacement kitchen is from after it was installed. There's nothing to show that Mr or Mrs T told Lloyds they were unhappy with the colour or quality of the units between them being delivered and fully installed. So, I don't think it would be fair or reasonable to tell Lloyds to cover the cost of replacing them.

Mr and Mrs T have also raised concerns about their replacement kitchen being discontinued. They say the builder made a passing remark about this, while it was being installed. They've recently told us that the range has been removed from H's website.

Lloyds says the kitchen hadn't been discontinued when it was installed. However, as with any kitchen the manufacturer can discontinue or make changes to the design at any time.

I appreciate Mr and Mrs T have concerns that they might not be able to get hold of replacement parts in the future. However, I haven't seen strong enough evidence to conclude that Lloyds knowingly installed a kitchen that was about to be discontinued. So, their comments about this haven't made a difference to the conclusions I've reached.

### Snagging issues

Mr and Mrs T also raised several concerns about the fitting of their kitchen. I can see that Lloyds arranged for a contractor to visit their property in April 2023 to review the work that had been completed.

The contractor identified several snagging issues which Lloyds agreed to rectify. It says electrical works were completed in May 2023. I understand other work is yet to be completed because Mr and Mrs T wanted to wait for the outcome to their complaint first.

I don't doubt that Mr and Mrs T experienced some unnecessary frustration and inconvenience as a result of poor workmanship. So, I've considered this as part of the overall compensation I think they should receive to put things right.

### Customer service

Mr and Mrs T have raised a number of other concerns about the service they received from Lloyds. And Lloyds has acknowledged customer service issues such as poor communication. So, I've also considered the impact of these matters on Mr and Mrs T as part of the overall compensation I think is fair to put things right.

### In conclusion

I appreciate Mr and Mrs T don't believe their replacement kitchen is equivalent to their old kitchen and they would have preferred a kitchen in a different colour and style. However, based on what I've seen, I'm not persuaded that Lloyds pressured them into accepting a kitchen that they didn't want.

I think it's clear from Mrs T's communication with Lloyds that she wanted the kitchen to be installed by Christmas and I can understand why this was important to her. It's unfortunate that there was only a small timeframe between drying being completed and Christmas. I think this was likely to have limited the available options and meant Mr and Mrs T had little time to make a decision about the choice of kitchen. However, I'm satisfied that Mr and Mrs T were given a choice about the kitchen supplier and it was their decision to have it supplied by H. So, I don't think it would be fair to tell Lloyds to replace their kitchen or pay them compensation for this.

Lloyds has acknowledged some failings in the service they provided to Mr and Mrs T, including poor communication and poor workmanship. However, it's offered to rectify the issues caused by the poor workmanship. It's also paid them £800 compensation and agreed to increase this by another £300.

Having considered everything, I think a total of £1,100 fairly recognises the overall distress and inconvenience Mr and Mrs T have experienced as a result of poor service from Lloyds. So, whilst I appreciate my answer will be disappointing for them, I'm not persuaded to award compensation above this.

## **Putting things right**

Lloyds should:

- Pay Mr and Mrs T £300 for distress and inconvenience.
- Rectify any outstanding snagging issues from the installation of the kitchen.

## **My final decision**

For the reasons I've explained, I uphold Mr and Mrs T's complaint and direct Lloyds Bank General Insurance Limited to put things right by doing as I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T and Mrs T to accept or reject my decision before 20 October 2023.

Anne Muscroft  
**Ombudsman**