

The complaint

Mr N complains about how Tesco Underwriting Limited handled a claim he made on his home insurance policy.

Reference to Tesco includes its agents.

What happened

Mr N holds a home insurance policy with Tesco. When his kitchen worktop was damaged he made a claim to Tesco. Tesco accepted the claim and arranged for the damage to be fixed.

Mr N complains about the way Tesco resolved that claim. In summary he said:

- the hob fitted was warped, took too long to replace and caused him to damage an item of jewellery
- The under counter lights weren't fitted properly leaving them hanging down
- he was told the worktop and sink couldn't be replaced like for like, so was given the option of choosing replacements. Once these were chosen these haven't been honoured and the original colour sink has been fitted which now doesn't match the worktop. He says if he'd been told the original style sink would be refitted, he'd have chosen a different worktop.

I'm aware there are other issues with the worktop and this claim, but these aren't covered in the scope of this complaint.

Tesco acknowledged it hadn't handled the claim as well as it could have. It acknowledged there were delays and offered £750 compensation. It also said it had cash settled the hob, and the undercounter lights and offered £100 for a damaged bin. In relation to the sink, it said there had been a communication error, but said the sink was replaced on a like for like basis and so wouldn't be installing a different one. But it offered £500 for this communication error.

Mr N didn't think this was enough and brought his complaint here. One of our Investigators ultimately thought what Tesco had done to put things right was reasonable.

Mr N agreed with the compensation in relation to the lights, hob, delays and damaged bin, but didn't think the compensation for the sink and the worktop was adequate – he thinks the replacement sink should be fitted. He's asked for an Ombudsman's decision, so, the case has been passed to me.

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'm satisfied what Tesco has offered to put things right is satisfactory. I'll explain why.

- I'm satisfied compensation for the issues with the hob, the undercounter lighting, damaged bin and delays with the claim is reasonable. There were delays and over a busy time of year but I'm satisfied £750 compensation for that is reasonable.
- The cash settlement for the hob and lights and £100 compensation for the damaged bin is reasonable too to put things right.
- Turning to the issue with the sink and worktop. As I understand it, Mr N's policy entitles to him to a like for like replacement where possible. Initially it didn't look like this was possible because the original sink wasn't available. Mr N was invited to pick a replacement and chose an alternative sink and worktop. Previously Mr N's sink and worktop matched (both white), whereas his new choice was a contrasting sink (grey) and counter (stone).
- It later transpired that Mr N's original sink could be replaced on like for like basis. So a white sink was fitted with the new stone counter.
- I understand Mr N isn't happy with this and can see why, it's not what he thought he would be getting. I totally understand Mr N's point that he wouldn't have chosen a stone-coloured worktop if he knew he was getting a white sink. And I appreciate the aesthetics of any home design are a personal choice. But I've not seen enough to persuade me that Tesco agreed this replacement sink grey would be guaranteed. Tesco has said there was a communication error with its agents relating to what sink would be fitted and I think that is the most likely explanation – more certainly should have been done to understand what was being fitted, before it was fitted. I can't be certain of what Mr N was told by the contractors, but if he was told his choices were guaranteed that's a clear error.
- But I'm not persuaded asking Tesco to fit the different sink Mr N chose is the fairest thing to do here. The remedy for poor advice often isn't to honour it but to look at the impact of it. Ultimately, I think Tesco was entitled to fit the sink it did – because that's what the policy covered Mr N for. But here, there's a clear loss of expectation, and Mr N hasn't got the worktop and sink combination he thought he was getting. This is on top of what was already a difficult claim journey. But I'm satisfied £500 compensation is a fair reflection of that.

While the complaint has been with us, Mr N has said he's not been paid all the compensation he's been offered. So, if that's still the case, Tesco needs to arrange payment as soon as possible.

Putting things right

Tesco Underwriting Limited has already offered to carry out a number of things to put things right for Mr N. These are:

- to cash settle the hob
- to cash settle the undercounter lights
- pay £100 compensation for a damaged bin
- pay £750 compensation for delays and handling of the claim

- pay £500 compensation for the loss of expectation surrounding which sink would be fitted

Any of the above which aren't already complete, Tesco should now action.

My final decision

Your text here

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 4 December 2024.

Joe Thornley
Ombudsman