

The complaint

Mrs M complains about how The National Farmers' Union Mutual Insurance Society Limited ("NFU") handled her claim on her home insurance policy following a fire at her property.

What happened

Mrs M had a home insurance policy with NFU. In March 2021 she made a claim after there was a fire caused by an electrical appliance at her property.

NFU accepted the claim and started work to clean and restore the property. However over the months that followed, Mrs M was very unhappy with how the claim progressed and the work that was completed by NFU's contractors. She made a complaint about the progress and handling of the claim, that NFU responded to in January 2022. And was subsequently brought to this service.

However following this complaint, she remained unhappy with how the claim progressed. And in September 2022 her items of contents that had been in storage were returned to the property. However Mrs M reported that the items were returned unclean. She said there was mould on some and she found ash dust on others and many still smelt of smoke. NFU agreed to instruct a second clean by a different company.

Mrs M was unhappy with how the claim had been handled since her last complaint. She was concerned that the contents that were returned and not properly cleaned had contaminated the house. She also had concerns that the upstairs of the property hadn't been properly cleaned after the fire as she said there was a lingering smell of smoke. She explained that she had been having tests following poor health over the period of the claim.

She made a complaint and NFU upheld it. It offered £500 compensation to apologise for the poor service and further delays to her claim. Mrs M wasn't happy with this and brought the complaint to this service.

After she did, there were further developments in her claim. Mrs M instructed an independent report on whether her property was still suffering from smoke contamination, as she felt it hadn't been cleaned thoroughly enough. NFU also instructed an expert to inspect a similar thing. Both experts found that there was smoke contamination and further cleaning was required.

NFU looked into these further issues and increased the compensation to a total of £1,250. And it agreed to carry out a decontamination clean and that Mrs M's expert could inspect the property afterwards to confirm it was no longer contaminated.

Mrs M didn't think NFU went far enough. She said she wanted to sell the house, as she and her husband had separated before the claim but were having to live together. And she had been delayed in being able to do this. She said this had meant her property had decreased in value due to changes in the housing market in this time. She said she thought NFU should buy her property from her, to make up for this. She asked this service to investigate her complaints.

Our investigator considered the issues and recommended the complaint be upheld. He said it was now apparent that an appropriate clean hadn't been carried out at the start of the claim and this had now caused significant delays. He noted the distress this had caused Mrs M and recommended NFU pay a total of £2,500 compensation to apologise for the significant impact its actions had had on her. He also said NFU should arrange appropriate alternative accommodation for Mrs M for the duration of the decontamination clean.

Mrs M didn't think the compensation was enough to recognise the distress the claim had caused her. NFU agreed it had caused delays but disagreed with our investigator's statement that the smoke contamination caused a health risk.

As agreement hasn't been reached, the complaint has come 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.

Mrs M has made a number of complaints about this claim I can only consider events and evidence that arose after the last one which was responded to by NFU in January 2022.

Since the complaint came to this service there have been further developments, particularly around the cleaning and decontamination still required. NFU has agreed for this service to consider these issues as part of this complaint.

Mrs M and NFU have provided a lot of information in relation to this complaint. I've not responded directly to every point raised in my decision. Instead, I've focussed on those I consider key to my outcome. But I wanted to reassure both, that I've read and considered everything submitted.

It's clear that since the last complaint, there have been a number of further issues. I've considered these and the impact they've had on Mrs M and the claim.

The most central issue is the discovery of further decontamination at the property. Mrs M had raised concerns throughout the claim about the cleaning that had been carried out at the property. She said many rooms still smelt of smoke and she was concerned that the walls and floor were contaminated and needed an extensive clean.

When the claim was first made, NFU initially only carried out a light clean and this focussed on the areas immediately around the seat of the fire – in the kitchen. NFU's initial report from its loss adjuster at the time of the claim commented:

'There is little to no smoke damage upstairs, again we will clean rugs and chairs to remove any odours/staining. We will ozone and fog all rooms to remove any possible odours as well as give the PH piece of mind.'

So it's clear that only a very light clean happened in most of the property, and this was largely focussed on removing the odour of smoke, rather than decontamination.

However, due to her concerns, in 2023 Mrs M instructed a report from an expert who commented as follows:

'Despite many months of continual cleaning the test results suggest that there are still areas which contain substantial residue from the original fire. Areas of paint and plaster within the

kitchen show peeling paint and blistering, this is most probably caused by not properly decontaminating the original residue with a suitable detergent (pH 13) allowing for the chemical reaction with the water-based paints. Testing results show that the smoke/soot from the original fire penetrated throughout the property...'

From this, it's clear there is still contamination from the fire throughout the property. And that work cannot progress, before this is addressed. The expert went on to identify that there is smoke contamination in every room of the property except for one, suggesting an extensive clean is still required. They said this should include floorboards being lifted and checks undertaken of pipework and electrical connections.

The report goes on to comment on what should have happened when the fire was first reported to NFU:

'Following the reporting of the fire an inspection to the property, starting at the furthest extremity of the building, should have taken place.'

'Inspection for contamination, as taken out within this report, would have shown that the resulting residues had travelled throughout the property and would have resulted in a classification of the soot under the COSHH regulations.'

NFU also sent its own expert to re-inspect the property and comment on whether further cleaning and decontamination was necessary. Their comments were as follows:

'Areas that are accessible will require decontamination this is throughout the property including curtain rails using a PH12-13 solution...'

This further supports that the property requires additional decontamination. NFU's expert also commented:

'The dishwasher fire would contain modern PVC plastics, Poly vinyl chlorides when mixed with moisture creates hydrochloric acid which is one of the most aggressive acids created by fire..'

This suggests that the nature of the fire meant that contamination throughout the property would have been likely. And it therefore follows that NFU should have been aware that a full clean and decontamination was necessary.

Based on all the evidence, I am persuaded that NFU didn't do enough initially to ensure Mrs M's property was appropriately cleaned and decontaminated. Two expert reports have concluded there is further work that is needed and there is smoke contamination in most rooms of the property still. And from NFU's own expert evidence produced since, it seems it should have been aware due to the nature of the fire that this would be necessary at the beginning of the claim.

Due to this, the claim now has to pause while a proper clean is carried out. This means that before the claim can progress any further, the property will need to be emptied and Mrs M and other occupants moved out, while it is completed. And, as the clean was required from the start, it means that work that had already begun would not be able to be completed to a satisfactory standard. So the fact that NFU didn't carry out an appropriate clean in the first place has delayed the claim significantly.

I've also considered the impact that this has had on Mrs M. I can see that throughout the claim she has expressed concern about a lingering smell of smoke and felt that these weren't taken seriously by NFU. This would have been distressing for her, especially when

she moved back into the property and was living with the smell.

Mrs M has also explained that her health has deteriorated during the time the claim has progressed. And that she has had a diagnosis for a serious condition in the last year. While she accepts a link between the claim and her illness could not be confirmed, this would have made the impact of the claim even more distressing, as she is now juggling challenging treatment with the ongoing claim issues.

Further, while the decontamination takes place she will have to move out of her home into alternative accommodation. And this will be distressing and inconvenient, even more so in the current circumstances. If NFU had carried out an appropriate clean at the beginning of the claim, it wouldn't now be necessary for Mrs M to move out again. So this has caused her further distress.

I have also considered the issues Mrs M raised in the complaint she made just before the decontamination report was obtained. And while these are less relevant now, as the whole property will now need to be decontaminated, I have still taken the impact these matters had into account when coming to my outcome here.

Mrs M had complained that her furniture was returned from storage and she found some items had mould and there was some ash and a strong smoke smell on others. This matter would have also caused her additional distress at that time, especially after a long claim where Mrs M had been unhappy with the work carried out to date. NFU instructed a different contractor to take the items and clean them again, which was what I'd expect it to do in the circumstances. But the fact they were returned in a poor condition meant that she had to contact NFU and wait longer than she should have done to get the items back in a good condition. And following the other issues she had had in the claim, this would have been distressing and inconvenient.

Taking all of this into consideration, I'm persuaded that NFU have caused Mrs M some significant distress and inconvenience. In particular, it failed to carry out an appropriate clean and that this has caused Mrs M's claim to go on for a lot longer than it should have. And this has led to a distressing situation for Mrs M at a time of ill health. Having considered everything I agree with our investigator's recommendation that NFU should pay her a total of £2,500 compensation to apologise for the distress and inconvenience it has caused her. As this is in line with our service's approach to complaints of a similar nature.

I have considered Mrs M's request that NFU buy her property, but this isn't something I could reasonably direct it to do. While I appreciate why Mrs M feels that she has lost out in not being able to sell her property previously, due to constantly changing housing market conditions it isn't possible to know at what price she would have sold the property or when. Or if she will make a loss if she sells it in the future. So I don't agree it would be a fair resolution to ask NFU to buy the property or make up for any losses Mrs M thinks she has incurred on the sale of her house.

I am pleased to note that NFU has now arranged suitable alternative accommodation for Mrs M and her family that she has agreed to. And it has agreed to pay to have her expert inspect the property once the clean is complete, to ensure it is fully decontaminated. This is similar to what I would have directed if it had not already taken these steps, so I won't ask it to do anything further in this regard.

My final decision

For the reasons I've given, I uphold Mrs M's complaint and direct The National Farmers' Union Mutual Insurance Society Limited to pay Mrs M a total of £2,500 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 24 October 2023.

Sophie Goodyear
Ombudsman