

## **complaint**

Mr W and Ms H complain about the handling of a home insurance claim by Royal & Sun Alliance Insurance Plc ("RSA").

## **background**

The background to this decision is set out in my provisional decision dated 27 March 2015, a copy of which is attached and forms part of this final decision. In that provisional decision I explained why I was minded to uphold the complaint.

To summarise, Mr W and Ms H's kitchen was damaged when a fire broke out in a neighbouring property. The policyholder arranged for their kitchen to be cleaned, but they were unhappy with the standard of this. RSA agreed to pay for a restoration and cleaning firm ("T") to inspect their kitchen. T made some recommendations for further cleaning. RSA offered a cash settlement for this. Mr W and Ms H arranged for T to carry out a second inspection. They thought part of their kitchen had been damaged and wanted RSA to replace the affected items.

I didn't think there was enough evidence to support Mr W and Ms H's opinion that the kitchen had been damaged. I accepted that further cleaning was needed, and that T's second report had mentioned that the oven needed cleaning. This had not been taken into account when RSA made its offer to cash settle. Instead of arranging for another contractor to provide a quotation for the additional cleaning needed, I thought £200 plus VAT would probably cover all the cleaning costs and said that RSA should pay this.

But I also thought that Mr W and Ms H may now prefer for RSA to arrange the further clean, rather than receive a cash settlement. I said that if they wished to accept my decision, they should confirm which option they preferred.

I asked both parties to provide me with any further comments they wished to make.

RSA responded to say it doesn't agree with my provisional decision. It says T's second report from February 2014 was submitted after Mr W and Ms H's complaint was brought to this service. It thinks I should only be able to reach a decision based on the evidence that was available when the complaint was brought to us.

RSA thinks it's unreasonable to give Mr W and Ms H the option of having RSA arrange the further clean, instead of a cash settlement.

Mr W and Ms H responded to say they don't understand the rationale behind the decision for a third clean. They have asked who is responsible for paying for alternative accommodation and all their other costs now that a third clean has been recommended, and want to know if they were expected to use a kitchen full of soot residue whilst waiting for this decision.

Mr W and Ms H say that RSA should be held responsible for the cleaning not being the necessary standard, as it was RSA who paid the cleaning company.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Although T's second report of February 2014 was provided after Mr W and Ms H brought their complaint to this service, I note the adjudicator gave a copy of the report to RSA for its comments. RSA responded to the adjudicator and explained that the report didn't change its previous position. Because of this, I have been able to take T's second report into account in reaching my decision.

RSA says it has no objection to increasing the cleaning costs to £200 plus VAT, but it doesn't think Mr W and Ms H should be given the option of having RSA arrange the clean. This is because it believes Mr W and Ms H wouldn't be happy with a further clean.

I still think it's reasonable to allow Mr W and Ms H the option of either a cash settlement, or for RSA to arrange the further cleaning. I say this because the contractor employed by RSA to carry out the previous clean clearly didn't carry it out to an acceptable standard, as soot deposits were still present after the cleaning had been done.

Mr W and Ms H have said they don't understand my rationale for concluding a third clean is necessary. As I explained in my provisional decision, T's reports in September 2013 and February 2014 confirmed there was still some soot deposit in the kitchen. It was on this basis that I concluded a further clean was necessary.

Mr W and Ms H say that RSA should be held responsible for the standard of the cleaning. I have already explained that as RSA didn't arrange the initial clean then it can't be held responsible for this. The policyholder wanted to arrange the cleaning and asked RSA to be reimbursed for this. I see nothing wrong with this, and therefore don't find that RSA was responsible for the standard of the initial clean.

But RSA *did* arrange for the second clean and, as there was still some soot deposit present after this clean had been finished, I accept that RSA was responsible for this. It is for this reason that I am requiring RSA to cover the further cleaning needed to remove those soot deposits.

I don't know if Mr W and Ms H have been living in their property. But I don't think that the amount of remaining soot deposit would make their kitchen unusable. So I wouldn't require RSA to cover the cost of any alternative accommodation that Mr W and Ms H may have paid for.

### **my final decision**

For the reasons set out above and contained in my provisional decision, my final decision is that I uphold this complaint. I require Royal & Sun Alliance Insurance Plc to do the following:

- arrange and pay for a contractor to carry out the cleaning (and re-grouting of the kitchen tiles if this is needed), as recommended by T.

or

- increase the cash settlement to £200 (plus VAT). If the kitchen tiles later need re-grouting then Mr W and Ms H should submit a quotation to Royal & Sun Alliance Insurance Plc for it to consider.

If Mr W and Ms H accept this decision, they should confirm which option they would prefer.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr W and Ms H to accept or reject my decision before 8 June 2015.

Chantelle Hurn  
**ombudsman**

## **COPY OF PROVISIONAL DECISION**

### **complaint**

Mr W and Ms H complain about the handling of a home insurance claim by Royal & Sun Alliance Insurance Plc ("RSA").

### **background**

In December 2011, damage was caused to Mr W's and Ms H's leasehold property after a fire broke out in a neighbouring property.

Repairs were arranged by the relevant property management company/policyholder ("Q"), and RSA reimbursed Q for this under the terms of the policy.

Q arranged for a cleaning company to clean Mr W's and Ms H's kitchen, the cost of which was met by RSA. Mr W and Ms H were unhappy with the cleaning carried out and instructed another company to inspect their kitchen. There were several issues found with the standard of the clean. Therefore the original cleaning company returned and carried out a second clean. Unfortunately Mr W and Ms H were still unhappy about the standard of the second clean.

Mr W and Ms H made a complaint to RSA about the matter. They thought some items in their kitchen, such as work surfaces, were damaged/stained beyond repair and should be replaced.

RSA appointed a restoration and cleaning firm ("T") to give its opinion on the condition of the kitchen. An inspection of the kitchen was carried out by T in September 2013, and it made some recommendations for further cleaning. RSA offered a cash settlement of £142.38 (plus VAT) for the further cleaning recommended by T.

Mr W and Ms H instructed T to carry out a second inspection of their kitchen. In February 2014, T said that tarnishing had occurred to some surfaces and it also found soot deposits in the oven. The report was submitted to RSA, but it was not persuaded to change its offer. Unhappy with this, Mr W and Ms H brought a complaint to this service.

Our adjudicator recommended the complaint be upheld in part. She thought that neither of T's reports could be relied upon as she found them to be contradictory. She was therefore unable to comment on whether or not RSA's offer was reasonable. The adjudicator recommended that RSA appoint an independent expert to inspect the kitchen and that both parties should be bound by that expert's findings.

RSA did not accept the adjudicator's recommendations. It said its offer to cash settle would indemnify Mr W and Ms H for the rest of the cleaning that was needed, in line with T's recommendations. It pointed out the kitchen had been inspected a number of times and it did not think it was necessary for a further inspection to be carried out.

As the parties were unable to reach an agreement, the matter has been passed to me to consider afresh.

### **my provisional findings**

I have considered all the evidence and arguments to decide what is fair and reasonable in the circumstances of the complaint.

The crux of the matter is that Mr W and Ms H think their kitchen has not been returned to the condition it was in before the damage occurred. They say that part of their kitchen has been damaged/stained beyond repair and want RSA to replace the affected items. They are also unhappy

that the kitchen has not been cleaned properly and are concerned about using the kitchen with soot residue still present.

There have been various inspections carried out on the kitchen by different companies, and I do not intend to refer to all of these in any great detail. But is it apparent from all the inspections carried out, that none of the companies thought that any of the kitchen items should be replaced.

I accept the initial cleaning was not carried out to an acceptable standard, but the cleaning company was not instructed by RSA, and therefore I cannot hold RSA responsible for this. It seems to me that RSA acted appropriately by appointing T after it received Mr W and Ms H's concerns about the condition of their kitchen.

T inspected the kitchen in September 2013. Its report noted that Mr W and Ms H had informed it that the worktops, floor tiles and washing machine had discoloured as a result of the damage. Its technician accepted the worktop was 'off-white' but could not confirm if this was due to the fire, or if it was manufactured as this colour. The technician also accepted the control panel of the washing machine was discoloured - but again could not confirm if this was connected to the fire, as it was located in direct sunlight and he thought it could have faded in colour because of this. Finally, the technician did not think the floor tiles were discoloured as they were beige in colour anyway.

T noted that the drawer runners did still have soot on them and recommended they be fully steam cleaned, as well as the tops of the wall tiles. It also thought the floor tiles needed steam cleaning but if unsuccessful, then re-grouting would need to be carried out.

The kitchen was again inspected by T in February 2014 at Mr W's and Ms H's request. T said it felt that a satisfactory clean in order to return the surfaces back to what was thought to be a pre-incident condition would not be successful, and to Ms H's satisfaction. Its report also said that as a result of some surfaces being exposed to smoke/soot which can contain chlorides, tarnishing had occurred to certain surfaces. It also said it found soot deposits in the oven.

The second report suggests that Mr W and Ms H do not think a further clean would return their work surfaces to the condition they were in before the incident. It is not in any dispute that Mr W and Ms H are unhappy about the colour of a number of items in their kitchen, including their work surfaces. And I accept that a further clean would not change the colour of those items.

But the crucial point here is that I have not seen any evidence that those items were damaged/stained as a result of the fire. I note that RSA has not been provided with any evidence from the manufacturer or retailer to confirm what colour the work surfaces or floor tiles were before the incident. I have therefore been unable to establish if those items were indeed affected by the fire.

Although T suggested that tarnishing had been caused on certain surfaces because of chlorides in the soot, it did not give any details about which surfaces had been affected.

Overall, it seems to me that there is not enough information in the second report for me to conclude that items in the kitchen were damaged/stained beyond repair and require replacing. I do not agree with the adjudicator that T's reports were conflicting and that therefore a further inspection of the kitchen should take place.

It is apparent from both of T's reports that further cleaning/work is required in the kitchen (even though it thought this would not be to Ms H's satisfaction), as soot deposits were found on both visits and in different places.

RSA had previously offered a cash settlement for the cleaning recommended by T in September 2013. It also said that if the grout for the kitchen tiles did not clean to their satisfaction, then Mr W and Ms H could obtain a quotation to re-grout the tiles and it would cover this. The reason for the cash settlement was because Mr W and Ms H did not want a further clean to take place at the time.

I find that RSA's offer was reasonable. But as this offer was made before T noticed the soot deposits in the oven, it is likely that the cash settlement needs to be increased to account for the cleaning of the oven. Rather than arrange for a contractor to provide a quotation for this additional cleaning, I think £200 in total would probably be reasonable to cover the cleaning costs.

However, given the time that has now passed since RSA's initial offer, it may be the case that Mr W and Ms H would now rather RSA arrange for the further clean than receive a cash settlement. I am therefore minded to give Mr W and Ms H a choice of what they would prefer.

**my provisional decision**

For the reasons set out above, my provisional decision is that I intend to uphold this complaint. I am minded to require Royal & Sun Alliance Insurance Plc to do the following:

- arrange and pay for a contractor to carry out the cleaning (and re-grouting of the kitchen tiles if this is needed), as recommended by T.

or

- increase the cash settlement to £200 (plus VAT). If the kitchen tiles later need re-grouting then Mr W and Ms H should submit a quotation to Royal & Sun Alliance Insurance Plc for it to consider.

If Mr W and Ms H wish to accept my provisional decision, they should confirm which option they would prefer.

I do not intend to make any further award against Royal & Sun Alliance Insurance Plc.

Chantelle Hurn  
**ombudsman**