

## The complaint

Mr H is unhappy that British Gas Insurance Limited (British Gas) have declined his claim for damage caused to his lounge carpet by an engineer. The work was being carried out under Mr H's home emergency policy. Mr H wants British Gas to pay him the cash equivalent of replacing his carpet.

## What happened

Mr H says that a British Gas engineer came to his home in November 2019 to carry out a service and to also look at an issue with the central heating. Mr H says that the engineer caused damage to the carpet by bringing in a dirty ladder which left marks in various areas of the carpet.

Mr H complained to British Gas and he received a response which said British Gas would deal with cleaning only those areas directly damaged, this included the porch, hall, stairs, landing and bathroom. They said they hadn't damaged the lounge carpet but later reversed their decision and agreed to include this.

Our investigator looked into things for Mr H. Mr H told us that the carpet was around two years old. And, because him and his wife have a health condition, he had to choose this particular carpet because it helped with their condition, even though it was more expensive. Mr H told us he paid £32.99 per sqm for the carpet. He said he wanted British Gas to pay him the cash equivalent of replacing the carpets.

British Gas told us they did originally arrange for the carpet to be cleaned but this wasn't possible. They then offered to replace the carpets which Mr H declined. British Gas obtained a flooring assessor's report and then offered a cash settlement of £1,800 in the absence of a new quote or invoice from Mr H showing what the total outlay would be. British Gas agreed with Mr H's calculations of the dimensions of all rooms totalling 72sqm and valued the carpet at £18.39 per sqm. They broke down their offer as, fitting costs £468.90 + £1,324.08 = £1,792.98. This was rounded up to £1,800. Our investigator felt that British Gas should pay £2,750 made up as fitting costs plus £2,375.28 (72 x £32.99).

After considering all of the evidence, I issued a provisional decision on this complaint to Mr H and British Gas on 25 November 2020. In my provisional decision I said as follows:

*"Firstly, I've looked at the circumstances which led to Mr H's complaint. The key facts about that aren't in dispute. A British Gas engineer caused the damage to Mr H's carpet. The only issue I have to decide is what steps British Gas should take to put things right."*

*"When assessing the value of a carpet, it's not unreasonable for an insurer to rely on a valuation provided by an assessor. But, I would expect the assessor to provide clear information about the factors they've taken into consideration when arriving at a valuation. There are a range of factors which determine the price of a carpet, this*

*includes how dense the fibre is - the more dense the fibre the more expensive the carpet will be. Also, the higher the length of the pile above the backing and the finished weight of the pile, the more costly the carpet will be. Another factor is whether the carpet is synthetic or wool. The assessor's report doesn't provide any comparison and/or similarities between Mr H's carpet and one priced at £18.39. The information I have seen from the report doesn't show how the assessor calculated the figure of £18.39 and, fundamentally, what factors they took into consideration when arriving at this figure.*

*British Gas say the assessors they used act for a wide range of insurers and validate the costs and flooring that have been damaged on site. British Gas said Mr H's carpet has been confirmed as synthetic, which they say is lower on the scale of quality. They say, it was assessed that a direct replacement would cost £18.39 per sqm on a like for like basis, validated through an on-site inspection by a company who specialises in the assessment of carpets. I've seen the report and this does confirm the carpet as synthetic. This alone however doesn't persuade me on British Gas' valuation.*

*British Gas have referred to 'luxury carpets' being priced around £30 per sqm. I've carried out research and agree more expensive carpets are around this figure. One feature I've noted about the carpets around this figure is that they are generally made of wool. I've also seen information which suggests wool carpets are more expensive than synthetic carpets. But, even taking this into consideration, I've seen some synthetic carpets which are priced higher than the valuation given by British Gas. And, nothing I've seen in the assessor's report or from British Gas persuades me that Mr H's carpet isn't one of the synthetic carpets in that particular price range.*

*Our investigator did ask Mr H whether he'd retained a receipt or if there was any other information which could prove what he'd paid. Mr H says he paid with cash and, given the passage of time since he purchased the carpet, I don't think it's unreasonable for him not to have retained a receipt. I can't however ignore the fact that I don't have any evidence which shows Mr H paid the amount he says he did. Mr H has told us why he decided to buy a more expensive carpet and I believe this did lead him to pay a higher cost than the valuation being used by British Gas. I've seen a number of higher priced synthetic carpets in the price range £24 - £28. So, £26 falls within the middle of this range. And, £26 is also around the mid-point between the two sums of £18.39 and £32.99. It therefore follows that I intend on deciding that British Gas should pay a cash settlement for the carpet to Mr H in the sum of £2,247.12. This is broken down as follows: fitting costs of £375.12 (£5.21 x 72) + cash equivalent for carpet of £1,872 (£26 x 72). I feel this is a fair way to resolve matters.*

*I note British Gas have pointed out that Mr H declined their offer to replace the carpet. I think it's reasonable, given that Mr H is vulnerable and in light of the current pandemic, for him to be cautious. And, I understand why he wouldn't want to let people into his house. So, I think it's fair and reasonable for him to ask for a cash settlement as opposed to a replacement carpet.*

*I think it's fair that British Gas should compensate Mr H for the distress and inconvenience caused to him throughout this matter. It's been over a year now since the damage occurred and Mr H hasn't yet seen a resolution to this. I also can't ignore the fact that events occurred which understandably caused Mr H further worry and upset. This includes the assessor missing the damage to the lounge during the first inspection and British Gas insisting only damaged areas would be cleaned – this being before the assessor had carried out any inspection. I can see*

*British Gas offered £30 for compensation. I don't feel this is reasonable given the period of time Mr H has been left troubled and upset by this matter. In view of the distress and upset caused to Mr H, I intend to decide that British Gas should increase the compensation to £100."*

So, subject to any further comments from Mr H or British Gas, my provisional decision was that I was minded to uphold this complaint and require British Gas to pay a cash settlement and £100 compensation.

Following my provisional decision, Mr H responded to say he isn't completely happy with the decision as he feels he'll be out of pocket by around £500. He said the shop where he bought the carpet has closed down so he's unable to get a receipt. British Gas haven't responded to my provisional decision.

### **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 the complaint for the reasons set out in my provisional decision and copied above.

I have taken into account Mr H's comment about why he's unable to produce a receipt, but this does leave me in a position where I don't have any evidence which proves how much he paid. So, I think it's fair and reasonable in the circumstances to rely on the results of my own research. The £26 figure this has given me also roughly represents the mid-point between the two sums which have been put forward by Mr H and British Gas. So, this further persuades me that a figure of £26 is fair and reasonable in this case.

### **Putting things right**

I've taken the view that the damage to Mr H's carpet was caused by British Gas. And, given Mr H's concerns, it's fair and reasonable for British Gas to give him a cash settlement of £2,247.12. British Gas should also pay compensation of £100 for the trouble and upset caused to Mr H.

### **My final decision**

My final decision is that I uphold the complaint. British Gas Insurance Limited must:

- Pay Mr H a cash settlement of £2,247.12; and
- Pay compensation to Mr H in the sum of £100 for the trouble and upset caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 9 February 2021.

Paviter Dhaddy  
**Ombudsman**