

The complaint

Mr W complains that British Gas Insurance Limited (BG) failed to deal with the damage it caused to his home under his British Gas Home Cover.

What happened

I set out the background to the complaint within my provisional decision and also here.

When Mr W noticed some damage to his water tank in late June 2019 he contacted BG. BG sent its engineer to repair the tank. However, a few days later the repair failed and water came through Mr W's ceiling which he said damaged ceiling plaster and laminate flooring.

Mr W called BG again and further repairs were made to the tank the same day. BG then carried out repairs to Mr W's home, but Mr W said it wouldn't complete these and he was left with no lights in his living room and damage to ceiling and flooring and his sofa. Mr W said BG asked him to provide an electrician's report.

BG apologised to Mr W for causing the leak. It said it had repaired the ceiling and offered £300 for the decoration and £150 for the sofa clean. BG said it wouldn't pay for the flooring or the coving as it said these weren't damaged by the leak and it wanted an electrical report about the light fitting. Mr W said he'd provided photos of a water stain on the coving and of the damaged flooring. BG subsequently agreed to repair the coving and the light fitting, but not the flooring. BG offered a total of £500 cash settlement for the ceiling repair.

Mr W said his laminate flooring was left wet until 12 July when BG provided a dehumidifier. He said this was faulty and was replaced on 17 July. Mr W said BG's claim that his flooring has settled down is incorrect as it is not as good as it was, and he cannot lift the floor without damaging it to inspect for hidden damage and dampness to the underlay. BG said its assessor found no damage to Mr W's flooring and this is confirmed by his photos.

Mr W accepted payment for the sofa clean but wasn't happy with the quality of the repairs by BG's contractor or its offer of cash settlement for this work. Mr W estimated the replacement of his flooring at £1,540. And he estimated compensation of £1,700 for time he'd taken off work and the stress BG had caused him.

Our investigator didn't recommend the complaint be upheld. He said Mr W's photos weren't sufficient evidence of damage to require BG to carry out repairs to his flooring or coving. He said BG should consider a quote or pay the £500 it offered for the ceiling repairs. He said the delays were due to a dispute with Mr W and it was fair for BG to await our ruling. The investigator said no compensation to Mr W should be paid as there was no financial loss.

Mr W said he will get a report about the damage to his flooring. BG sent payment of £300 for the ceiling repairs but its payment for cleaning his sofa was delayed. BG had offered a further £200 for ceiling repairs so it wouldn't have to send contractors to Mr W's home. Mr W obtained a quote of £1,050 for the work and said BG still hadn't sent its electrician. BG declined to pay Mr W's quote and Mr W requested an ombudsman review his complaint.

My provisional findings and the parties' responses

In my provisional decision I said the parties disagree about the extent of the damage to Mr W's home and what's required to restore it. And I hadn't seen any progress in resolving the issues for over a year.

I have seen Mr W's photos of the damage to his ceiling and part of the coving. There is clearly a water stain covering part of the coving and so I think it was right that BG made repairs. Mr W said BG's initial work was flawed as the contractor wanted to paint over a long crack and plastered up to the coving rather than removing it to achieve a good finish. Mr W said he had to stop the contractor's work because of his concerns.

Following Mr W's dispute with the contractor BG was reluctant to send contractors back to complete the work. BG offered a cash settlement, which Mr W considers to be inadequate to pay for the work to be done properly. I agreed with Mr W's concerns about the work as he would have been left with different levels of ceiling plaster as the coving hadn't been removed, and a large crack just painted over.

I thought Mr W's estimate for the ceiling work at £1,050 offered the prospect of competent redecoration and a lasting repair. And, as this is what we would expect an insurer to do I thought BG should pay him £1,050 for the work to be completed properly, deducting any of the £500 it may have already paid Mr W for the repairs.

BG inspected Mr W's floor at the time of the claim and the photos he's provided and said there was no lasting damage. Mr W hasn't obtained his own report about the flooring as he said he might. I thought BG had reached a reasonable conclusion about Mr W's flooring.

BG said it would send an electrician to inspect Mr W's light fitting many months before it did so in August 2020. But no arrangement was made to replace the fitting. I said an internal email shows BG would respond to a quote for the fitting from Mr W, but BG hadn't told Mr W this and he has been left to chase this up for over a year. I thought BG should tell Mr W how it will settle the repair or replacement of his electrical light fitting.

I said that it's our role to see if there have been avoidable delays and inconvenience and assess how this might be reflected in an award of compensation. I thought there had been a host of avoidable delays and poor service by BG. I said the repairs took a long time, partly due to the dispute between Mr W and BG's contractor. It took some time for Mr W to obtain a quote for the ceiling repairs. But I found that by far the greater delay was due to BG who appeared to want to wait for our ruling, rather than taking action to resolve the claim.

Even after our investigator sent his recommendations, BG only made part payment for the damage and Mr W had to chase up the remainder. I don't think BG has ever communicated properly with Mr W or our service about its handling of his claim. From the investigator's view in February 2020 to date, it was open to BG to either carry out repairs or pay Mr W to do so. Instead BG has provided confused information about what it has done and has delayed its response, or done nothing. BG also told our service that the complaint was closed and that it had made Mr W an offer of settlement in February 2021 - neither of which was correct.

I thought BG hadn't made a proper effort to resolve this complaint and I thought it has provided very poor service to Mr W, leaving his home unrepaired for more than a year longer than necessary. I could well understand Mr W's frustration at the lack of progress and very poor, or non-existent communications from BG. And I was minded to require BG pay Mr W £500 compensation for the impact its poor service has had upon him.

Mr W responded to the provisional decision to say it looked much fairer than our service's previous assessment. He said his only concern is the lighting issue as that still isn't settled. He said the engineer BG sent out didn't carry out a test. He said the light fitting and the circuit need to be tested and then lights refitted - either new or old depending on test results.

Mr W said it would cost him at least £150 for a qualified electrician to test the lighting circuit and cut back any cable that may have water damage from rust and extend it and then refit new lights. He said he could replace the light fitting for around £100.

BG has not responded to the 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 reconsidered the complaint I remain of the view that it should be upheld.

From the information I have seen I can understand why Mr W halted the work of BG's contractor in redecorating his home. We expect an insurer to carry out competent redecoration and make a lasting repair and I don't think that's what BG was providing. I remain of the view that Mr W's estimate for the ceiling work at £1,050 is the best way to achieve this. And so, BG should pay Mr W for the estimate, less any of the £500 it may have already paid Mr W for the repairs.

Mr W has pointed out that when BG's electrician eventually attended his home he didn't carry out an electrical test and so he is no further forward in knowing if his light fitting and circuit are safe. I think BG should now make the tests it said it would carry out a long time ago or pay Mr W £250 so he can pay for his own test and new light fitting.

It's approaching two years since Mr W made his claim to BG and much of the damage its engineer caused has yet to be repaired. I have been very critical of BG's failure to deal with the issues and progress Mr W's repairs. Since BG hasn't responded to my provisional decision I see no reason to amend these views. Consequently, I require BG to pay Mr W £500 compensation for the impact its very poor service has had upon him.

My final decision

For the reasons I have given above it is my final decision that the complaint is upheld.

I require British Gas Insurance Limited to pay Mr W £1,050 in accordance with his estimate for the repair and redecoration of his ceiling and coving. British Gas may deduct any payment it has already made to Mr W by way of cash settlement for the repairs.

I require British Gas Insurance Limited to send a qualified electrician to Mr W's home to test the light fitting and light circuit that were exposed to water when the damage occurred and then either refit the light or provide a replacement of the nearest available equivalent depending on the test results. Alternatively, British Gas Insurance Limited may choose to pay Mr W £250 to carry out the work himself.

I also require British Gas Insurance Limited to pay Mr W £500 compensation for the distress and inconvenience he has been caused by the very long delays and misinformation from British Gas in its very poor handling of his claim and the subsequent repairs.

I expect British Gas Insurance Limited to carry out the requirements of this final decision within 30 days. If it fails to do so we may add interest to the awards set out here.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 17 May 2021.

Andrew Fraser
Ombudsman