

## **The complaint**

Mr and Mrs R are unhappy with the settlement British Gas Insurance Limited (BG) offered after it caused an escape of water in their home. For ease, I'll refer only to Mr R throughout my decision.

## **What happened**

Mr R had Home Emergency cover with BG. It replaced the water tank under the insurance policy but, because it wasn't connected properly, water escaped and caused damage to all three floors of Mr R's home.

BG accepted responsibility and paid for alternative accommodation while it arranged drying, repairs, and replacement of damaged possessions. However, Mr R was unhappy with the amount it offered him to replace damaged possessions, and he didn't think its compensation offer adequately reflected the distress and inconvenience caused.

Our investigator didn't uphold Mr R's complaint. She thought that BG had provided reasonable evidence to show that its offer of £4,500 covered the cost of replacing his damaged possessions. In addition, BG paid compensation of £3,000, which our investigator thought was enough in the circumstances. She didn't recommend any further action.

Mr R didn't agree. He thought the findings were inadequate and lacked neutrality, but he didn't provide any further comment or evidence.

The complaint was passed 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.

While I realise Mr R will be disappointed, I've decided not to uphold his complaint. I'll explain why.

Firstly, there's no dispute about the cause of the damage, or that BG was responsible for putting things right. So, my role here is to decide whether BG did enough to put Mr R back in the position he was in before the damage.

I'll put some context around the escape of water. The water tank on the upper floor wasn't connected properly, so water ran along the floors, coming down through the ceilings to the lower floors, mainly through the light fittings. Mr R provided a video of it happening, and water can be seen concentrated in some areas, mainly in the central parts of the floors under the light fittings. I can see why the incident would've been distressing.

### **Settlement offer**

Mr R commented on a number of items for which he didn't think BG had made a fair settlement offer. Both parties are aware of the list, so I won't give details again here. As I've

said, BG's responsibility was to put Mr R back in the position he was in before the incident, which means replacing possessions on a like for like basis. For example, he had a two-year old games console which had been used. So, BG's responsibility was to provide Mr R with a settlement which would allow him to buy a replacement used console of the same type – not a brand new one. I've looked at the disputed items on Mr R's list and I can see that BG provided evidence from online sources that it offered a sum for each which broadly covered the cost of a replacement used item of similar or better standard.

I appreciate that to Mr R it may feel unsatisfactory because he would've paid significantly more for some of the items when new. But the fact is they were no longer new at the time of the incident and BG didn't have to replace on a new for old basis.

I'm satisfied that BG made a fair offer to cover replacement of the damaged possessions and I see no reason to ask it to pay any more.

#### Flooring

Mr R thinks BG should've repaired or replaced the damaged flooring in his dining room. I've looked at the photos along with the evidence provided by BG's contractor after assessing the damage and I'm satisfied that BG wasn't responsible for the repair. That's because I agree that the damage appears to be consistent with scuff marks caused by normal use of dining chairs, not water damage.

I think it's worth saying at this point that BG carried out structural repairs to the floor upstairs and re-carpeted the house throughout, at a cost of just under £8,000. BG didn't ask for any contribution to the cost of the work, even though Mr R confirmed the upstairs floor was already damaged by another leak. In the circumstances, I think that was fair, but it doesn't mean BG should also repair the dining room floor when it's clear the damage wasn't caused by the escape of water.

I can't see any reason to ask BG to do any more here.

#### Delays

Mr R complained that he experienced significant delays, with BG not meeting promised timelines and its contractors taking a lot of holidays during repairs. I've looked at the overall timeline to see whether there is evidence of any avoidable delays.

The work took around three months to complete. During the first month, BG attended Mr R's home on numerous occasions and instructed any work which could be done in preparation for repairs. It wasn't until after the first month that the property was fully dried, and work could properly begin. While I can see that return visits to assess the drying process might be interpreted as people simply taking time off during repairs, drying was a necessary process and I can't fairly say it amounted to an avoidable delay.

The timeline of events indicates that, once drying was complete, BG progressed the following stages of repair within a reasonable time. I should point out that during the three months of repair work, BG provided Mr R and his family with hotel accommodation. Given that it was paying for the hotel accommodation, I can't see any benefit to BG in delaying the work any longer than necessary. Some delays are inevitable in such circumstances, but I can't see anything in the evidence to suggest that BG caused significant or avoidable delays.

#### Distress and inconvenience

Finally, Mr R says BG's total settlement offer of £7,500 isn't enough to recognise the distress and inconvenience this whole experience caused. I understand that living in a hotel instead

of the family home isn't an ideal situation, and I accept that there would've been some inconvenience. I also understand that it won't have been pleasant to lose some possessions to water damage and be in a position where he would need to source replacements.

I've thought about BG's prompt acceptance of its responsibility to reinstate Mr R's home, and its provision of alternative accommodation during the work. In the circumstances, I'm satisfied that BG provided a reasonable solution to minimise the disruption to Mr R and his family while the reinstatement work was being done. I can't fairly say it's responsible for other matters Mr R commented on, such as school grades, which would've been outside its control. And, as I've said, BG covered the cost of like for like replacements of damaged possessions and provided compensation for the distress and inconvenience caused - a total settlement of £7,500. I think that's fair.

In summary, I realise that my decision appears to simplify matters, especially in light of all the evidence presented and the distress and inconvenience Mr R and his family must've experienced. However, I think BG accepted its responsibility promptly to minimise further inconvenience, and it agreed a £7,500 settlement with Mr R. While he now thinks that's not enough, in the absence of any further information to point towards any significant gaps in its offer, I see no reason to ask BG to do any more in respect of this complaint.

### **My final decision**

For the reasons given above, my final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R and Mr R to accept or reject my decision before 30 September 2021.

Debra Vaughan  
**Ombudsman**