

The complaint

Miss G complains British Gas Insurance Limited left her without heating or hot water for 15 months following a claim against her homecare insurance policy.

What happened

Miss G says British Gas failed to reattend to resolve outstanding claim issues which led to her being without heating or hot water for 15 months. She says British Gas were meant to contact her to arrange an appointment but didn't. And despite chasing them in March 2021, nothing happened, and she got fed up of being ignored so she stopped contacting them.

Miss G contacted British Gas a year later in March 2022. They attended to resolve the claim – restoring her heating and hot water. Miss G complained about the way things were handled.

British Gas say their engineer that attended in 2020 failed to update the job which meant British Gas were unaware another visit was required. They say once Miss G notified them of this in 2022, they resolved matters promptly. They also paid Miss G £200 compensation for any distress and inconvenience caused. Miss G wasn't happy with the outcome and approached our service.

Our investigator recommended it be upheld. While he thought Miss G could have mitigated her circumstances, he thought British Gas should pay her a further £400 compensation for the period Miss G had no heating and hot water between December 2020 and March 2021 – when Miss G says she contacted British Gas but nothing happened.

British Gas didn't agree. They accepted their error but say Miss G didn't contact them until March 2022. They didn't think they were responsible for the entire period Miss G was without heating and hot water because they didn't know this was the case until 2022.

I issued my provisional decision in November 2022 which set out the following:

'What I've provisionally 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.

Miss G's responsibility under the contract of insurance was, amongst other things, to pay her premiums and report claims in a timely manner in line with the policy terms. Miss G fulfilled her responsibility under the policy. British Gas's responsibility was to validate claims and indemnify Miss G in a reasonable timeframe, amongst other things. And they failed to do that here.

Miss G was left without heating and hot water as the result of an error caused by British Gas. Their engineer in 2020 failed to update the job which meant the claim remained open – until it was resolved in 2022. The onus here was on British Gas to resolve the claim – not for Miss G to constantly chase British Gas to resolve it.

Miss G says she contacted British Gas in 2021 but didn't get any further with the claim. She says she got fed up of chasing them, and didn't do anything for a year, until she complained in 2022 and the claim was resolved.

British Gas say they have no record of Miss G contacting them prior to 2022 – and once they became aware of the error then, they promptly resolved matters. But they also emailed Miss G in April 2022 saying the following:

'To have no heating for so long is completely unfair, especially when you called us multiple times and still didn't receive any form of appointment until a couple of months ago. It seems the engineer who visited in 2020 didn't update the job correctly and therefore our team didn't know there was an outstanding job to be done. That doesn't excuse anything though as that was a mistake we made which caused all of this to happen.'

This suggests British Gas accept Miss G called multiple times, but nothing happened. So, I'm most persuaded that Miss G did call prior to 2022 when she says she did. I've reviewed her testimony which I find to be plausible, consistent, and I don't think British Gas's email of April 2022 undermines it.

So, I'm satisfied on balance it's most likely Miss G called British Gas prior to the 2022 complaint she raised.

I've mentioned above it wasn't for Miss G to chase British Gas to resolve the claim. I do, however, think there was some responsibility here on Miss G to mitigate her circumstances. I note in August 2021 – some months after she says she stopped contacting British Gas – she received a renewal invitation from them, and the policy renewed.

Given Miss G was paying for a service and raised a claim that hadn't been resolved, I think this renewal invitation ought to have prompted Miss G to contact British Gas to remind them a claim was outstanding, and of her circumstances. I know this invitation would have been received in the summer months – which could have impacted Miss G's decision not to do anything. But in any case, I think Miss G could have acted to mitigate her circumstances following the March 2021 contact she says she made to British Gas.

Our investigator thought British Gas should pay Miss G a further £400 compensation for the period between December 2020 when the claim was raised, to March 2021 when she says she chased British Gas, but nothing happened. I also consider this to be fair and reasonable. I think this increase in compensation fairly reflects the error caused by British Gas, the poor service Miss G received, and the impact on her during this period.

I won't be requiring British Gas to pay Miss G compensation for the period between April 2021 to March 2022 as I think during this period Miss G could have taken steps to mitigate her circumstances. This was also the period she received a renewal invitation which, as explained above, I think ought to have prompted Miss G to contact British Gas to remind them the claim was outstanding.

Miss G has also said her energy usage increased during the December 2020 to March 2021 period because she had to use electric heaters, amongst other things. I currently think if Miss G can provide British Gas with evidence that shows her usage increased as a direct result of the claim between this period, British Gas should pay Miss G the amount she otherwise wouldn't have paid.

My provisional decision

My provisional decision is I currently intend on upholding the complaint and requiring British

Gas Insurance Limited to do the following:

- *Pay Miss G £400 compensation for any distress and inconvenience caused: and*
- *Cover the additional amount she paid for energy usage between the period of December 2020 to March 2021 upon evidence from Miss G to show the increased costs to her as a result of the claim.*

Responses to my provisional decision

British Gas agreed a further £400 compensation was fair. They didn't, however, think it was fair that they cover Miss G's increased energy amount between December 2020 to March 2021. They say given Miss G was without a boiler, she would have used less gas but more electric – meaning this would offset the total amount she paid for energy, so the amount paid wouldn't have increased.

Miss G responded to say it had been difficult to obtain and provide her energy bills as she'd been unable to access these between the period set out above. Miss G contacted us to say British Gas have now posted these to her which will arrive in the next few weeks.

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 reviewed the responses from both parties, I remain that British Gas should put matters right in the way I set out within my provisional decision – providing Miss G can evidence her energy costs increased as a result of the claim.

British Gas say given Miss G wasn't using her boiler during this period, her energy usage for using electric heaters would have been offset by this – meaning her energy costs may not have increased. This might be the case, and in this scenario, I wouldn't expect British Gas to pay Miss G anything in this respect (other than the £400 compensation amount for any distress and inconvenience caused).

If, however, Miss G can demonstrate her energy costs increased between December 2020 and March 2021, British Gas will need to pay her the difference between her regular energy costs then, and the higher amount she otherwise wouldn't have paid had the claim been handled in the way it should have.

Miss G will therefore need to demonstrate to British Gas her energy costs increased during the period between December 2020 and March 2021. If her energy costs did increase as a result of the claim between this period, British Gas should settle the complaint by paying her the difference.

Putting things right

British Gas Insurance Limited must now do the following to put matters right:

- Pay Miss G £400 compensation: and
- Cover any additional amount Miss G paid for energy usage between December 2020 to March 2021 provided Miss G can demonstrate her energy usage increased during this period, and she paid more for energy than she otherwise would have done had the claim been resolved in December 2020.

My final decision

For the reasons I've mentioned above, my final decision is I uphold it. I now require British Gas Insurance Limited to put matters right as set out under the heading '*Putting things right*'.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 26 December 2022.

Liam Hickey
Ombudsman