

The complaint

Mrs A has complained about a leak she said British Gas Insurance Limited (British Gas) caused when it carried out work under her home emergency policy.

What happened

British Gas sent an engineer to Mrs A's home to deal with a leak outside her home. While he was there, the engineer knocked a valve which caused a leak inside Mrs A's home that couldn't be stopped. Over a couple of weeks, further engineers visited to try and deal with the issue, but didn't resolve it. Mrs A arranged for her own engineer to replace the cylinder.

Mrs A complained to British Gas. It offered Mrs A £1,400 for the third party costs she'd paid for a new cylinder and £50 compensation. Mrs A complained to this service because she said her costs had been about £3,000. Our investigator upheld the complaint. She said £1,400 was only part of the cost. As Mrs A had paid a total of £3,272.19, our investigator said British Gas should pay the full amount. She also said British Gas should pay a total of £250 compensation.

As British Gas didn't agree, the complaint was referred to me.

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 uphold this complaint. I will explain why.

British Gas offered Mrs A £1,400 to cover the cost of a third party carrying out repairs at her home following damage caused by one of its engineers. I've looked at the invoices for the cylinder replacement. A cylinder was provided by one company at a cost of £1,592.19 and a different company fitted it at a cost of £1,680, once VAT was included. This is a total of £3,272.19. British Gas told this service that it offered £1,400 to cover the cost of the third party. It said Mrs A had said the costs were £3,000, but she had received a discount. From what I can see, I think there was a misunderstanding about the costs and British Gas based its offer on the amount to fit the cylinder only. Mrs A did initially seem to receive a discount on the fitting. However, she later had to pay the VAT element, which increased that cost. I haven't seen anything that persuades me British Gas only intended to pay part of the costs when it made its offer or why that would have been the case.

British Gas later told this service it shouldn't have offered Mrs A £1,400 because all that needed to be replaced was a TPRV, which would have cost about £100. So, I've thought about this. Mrs A has said the engineer told her she would need a new cylinder. British Gas told this service its engineer wouldn't have given that advice, as that wasn't what was required. I've looked at the engineer notes. For the first visit, when the engineer caused the damage, the notes said a TPRV needed to be ordered to complete the job. At the fourth visit, the engineer's note said: "*Trv needs replace cylinder needs to come complain*". Although I don't think it is the clearest note, I think it is reasonable to read it as the engineer saying the

cylinder needed to be replaced. So, I think this makes it more likely than not that Mrs A was advised by the engineer that she needed a new cylinder. Mrs A then acted on that advice. So, I think British Gas needs to pay the costs for the cylinder. From what I can see, when it dealt with the complaint, British Gas also thought it needed to pay costs for the cylinder, which is why it paid £1,400. I'm aware British Gas' position has now changed, but I'm not persuaded by the reasons it has put forward.

British Gas has also said it shouldn't pay the costs for the cylinder because this work wouldn't be covered by the terms and conditions of the policy. However, as I think Mrs A was told the cylinder needed to be replaced, and this was due to damage caused by its engineer, I don't think it is fair for British Gas to limit what it would cover to what was available under the standard terms of the policy. It needed to put right the damage it caused. The total cost for replacing the cylinder was £3,272.19. So, I think British Gas needs to pay that amount. I'm aware it has already offered £1,400, which it can deduct from this amount if it has already paid it.

I've also thought about compensation. British Gas accepted that its engineer caused damage that led to an uncontrollable leak. Engineers also visited multiple times over a couple of weeks, but couldn't fix the issue. Mrs A then had to arrange for a new cylinder to be fitted. I think Mrs A was inconvenienced both by the original incident and then in trying to get it resolved. I'm aware British Gas already offered Mrs A £50 compensation. I think a total of £250, which includes that £50, more fairly reflects the impact on Mrs A.

So, having thought about all of the above, I uphold this complaint and require British Gas to pay Mrs A in total £3,272.19 for the cylinder and £250 compensation.

Putting things right

British Gas should pay Mrs A a total of £3,272.19 for the cylinder and £250 compensation.

My final decision

For the reasons I have given, I uphold this complaint and require British Gas to pay Mrs A a total of £3,272.19 for the cylinder and a total of £250 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 10 April 2023.

Louise O'Sullivan
Ombudsman