

The complaint

Mr P complained about unsatisfactory delays caused by British Gas Insurance Limited ("British Gas") in fixing water leaks under his home emergency policy. The delays caused greater damage than would otherwise have been the case. He was unhappy with the settlement paid.

What happened

Mr P made separate claims to British Gas for two unrelated leaks in his property. British Gas were delayed in fixing both leaks for different reasons and multiple home visits were required to resolve the issues. British Gas had difficulty sourcing parts needed and delayed things further by ordering the wrong part. British Gas also misdiagnosed one of the causes of the leak, which meant Mr P had to get his own contractor to influence the right outcome and get his claim covered.

The delays meant the damage to Mr P's property was greater, so British Gas agreed to pay Mr P a cash settlement of nearly £4,000. Mr P accepted the settlement but later said it didn't cover the cost of getting the work completed.

Mr P said the delays caused him and his family a significant amount of distress and inconvenience. His family had to live in the difficult conditions for longer than necessary. Mr P said he continuously emptied a bucket which captured the leaking water under the sink every two to three hours, including during the night-time.

British Gas initially offered £100 in compensation but later increased it and paid Mr P £250 for the distress and inconvenience caused. Mr P doesn't think this is enough.

Our investigator decided to uphold the complaint in part. He thought the delays caused a higher level of inconvenience for Mr P, so awarded an additional £150 in compensation. However, he thought the settlement offered by British Gas for the repairs was fair for the scope of works. Mr P disagreed, so the case has been referred to an ombudsman.

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.

I've reviewed whether I think British Gas provided a reasonable settlement in respect to repairing the damage from the leak. British Gas has explained the reason for Mr P's quotes been higher for the works. It said it was because Mr P's quotes included a greater scope than it had allowed in its settlement. It said *"the difference between our contractor's quote and the customer's own was that his contractor was quoting to remove and replace the whole ceiling. Our contractor advised this was not necessary and the damage could be stain blocked and painted"*.

Whilst, I can see Mr P's contractor did quote for new ceilings, I haven't seen any justification for this. And I haven't seen any evidence that shows the repairs suggested by British Gas'

contractor wouldn't have been adequate to return the ceiling to its pre-loss condition.

Therefore, with the difference in expected settlement value been relatively small, I think it's fair to assume this was down to the different scope for the repair to the ceiling. As I haven't seen any evidence to suggest British Gas' proposed repair wouldn't be reasonable, I think the settlement is fair. So, I don't uphold this aspect of the complaint.

I've then considered whether the £250 offered by British Gas was fair for the distress and inconvenience the delays caused. The repairs for the first leak (under the sink) were delayed – it took around two months from when it was reported to finally been fixed. The other leak was fixed more quickly. There was a short initial delay due to British Gas misdiagnosing the problem and this caused some inconvenience to Mr P, but this was soon resolved.

It's important to state with any claim there will be a considerable amount of inconvenience anyway, as no one wants problems in their home and the resultant mess in fixing them and repairing any damage. However, it's sometimes useful to remember the initial cause of the problem isn't normally that of the insurer, so it would be unfair of me to hold British Gas accountable for all the problems.

In paying £250 compensation, British Gas accepted in some way its part in not fixing the issues quick enough. I don't think this fully compensates Mr P. The leak under the sink took two months to repair – some basic errors from British Gas created avoidable delays. The impact of the delays meant Mr P had to deal with the ongoing leak by collecting the water and emptying buckets. I think if it was as bad as Mr P suggests and he was emptying the bucket three times every night and all through the day he would've paid himself to get the leak fixed. However, I'm persuaded there was some inconvenience, and it would've caused distress.

I think there was inconvenience when British Gas misdiagnosed the cause of the other leak and Mr P had to get his own contractor out to identify the cause. Therefore, I uphold this aspect of the complaint. However, I think £400 is about the right level of compensation – so I award an additional £150 to make up this amount (i.e., the same as the investigator's view). I appreciate Mr P feels it should be a higher amount. However, I feel this is consistent with our Service's award framework and considers both the level of inconvenience and any costs that Mr P may have been incurred in sourcing his own contractor.

My final decision

My final decision is that I uphold this complaint. I require British Gas Insurance Limited to pay Mr P:

- £150 compensation – for distress and inconvenience (if the £250 award has not yet been paid, British Gas are required to pay this as well).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 23 August 2023.

Pete Averill
Ombudsman