

## **The complaint**

Mr K complains about the way British Gas Insurance Limited dealt with a claim on his home emergency insurance policy and says the compensation offered in respect of this was too low.

## **What happened**

Mr K called British Gas in December 2022 after discovering a leak from his hot water tank. An engineer came round to inspect the tank and said it would have to be replaced and he would order a new one. As it was just before Christmas, they weren't sure how long it would take to arrive.

There continued to be problems with water leaking and Mr K called British Gas again. There was another visit on 30 December when the tank was replaced. However, Mr K still had problems with the system after this. Mr K called British Gas on 3 January 2023 but was told the next available appointment was 17 January.

At the next visit the central heating pump was changed. The engineer said if that didn't fix the problem Mr K would need to have a powerflush of the central heating system.

Mr K decided to get another heating engineer who visited and carried out some work, which he says resolved the problem. The engineer charged £84 (£70 plus VAT) for this.

When Mr K then complained, British Gas accepted the service it had provided wasn't good enough and offered compensation of £60, which it later increased to £200. Mr K didn't accept this and referred the complaint to this service.

Our investigator thought the compensation should be increased. She said Mr K should be reimbursed the cost of the engineer he'd instructed and recommended that the compensation for the distress and inconvenience caused to Mr K be increased to £250.

Mr K was happy with this and accepted the investigator's recommendation but British Gas hasn't accepted. It says the invoice from Mr K's engineer doesn't confirm what work was done but if further details are given and it's satisfied the repair work is something that would have been covered by the policy, it would agree to reimburse this.

The investigator didn't think that was necessary and said she was satisfied the problem was only fixed once Mr K appointed his own engineer, so he should be reimbursed for that.

As no agreement has been reached the complaint has been passed 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.

Mr K's policy provides cover for repairs in the event of breakdown or damage to his boiler and central heating system.

Where a claim is made on an insurance policy, the insurer is required to deal with the claim promptly and fairly, provide reasonable guidance to help a policyholder make a claim and appropriate information on its progress; and not unreasonably reject a claim.

I don't think there's any dispute that British Gas didn't deal with the claim in the way it should have and it has acknowledged this. The issue for me to decide is what would be a fair level of compensation.

Mr K first reported the issue in December 2022. Despite repeated visits from engineers in January and February 2023 it wasn't fully resolved. In the end Mr K found someone else who was able to resolve it for him. British Gas has questioned the work carried out by that engineer but the invoice shows it concerned the same issue that had been reported to British Gas. On balance, I'm satisfied it was the same problem that British Gas had been unable to resolve. In the circumstances it's fair that Mr K is reimbursed for this – he shouldn't be out of pocket as a result of his claim not being resolved.

Mr K has explained the worry this all caused him. The tank had leaked and caused damage, and he was understandably worried it would happen again. He had to switch the boiler off when he was out. It was winter, so when he came home the house was extremely cold. I've considered the impact this had and the fact this went on for many weeks. In the circumstances I think £250 is a fair amount to acknowledge the amount of distress caused during that time and the trouble he was put to in having to arrange numerous visits and then find another engineer before the problem was finally put right.

### **My final decision**

I uphold the complaint and direct British Gas Insurance Limited to pay to Mr K:

- £84 for the cost he incurred together with simple interest at 8% from the date he paid that bill to the date it makes payment; and
- £250 for the distress and inconvenience caused to him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 17 August 2023.

Peter Whiteley  
**Ombudsman**