

## **The complaint**

Ms A is unhappy with the service she's received from British Gas Insurance Limited (British Gas) following a claim she made.

Where I've referred to British Gas, this also includes any actions carried out by the agent handling the claim on British Gas' behalf.

## **What happened**

Ms A has a HomeCare policy with British Gas and this provides, amongst other things, cover for callouts and repairs when there is a lack of hot water.

In September 2022 Ms A contacted British Gas as she had no hot water. Shortly after, British Gas' agent attended and determined a new water pump was required and they said this would be ordered and they would reattend to fit this.

However, this ultimately didn't happen until February 2023. This was due to cancelled appointments and the engineers not turning up, along with British Gas and their agents not progressing things. During this period, Ms A contacted British Gas and their agent a number of times, but despite this, repairs weren't completed until February 2023.

Ms A also complained to British Gas, and they failed to action the complaint and closed it instead, so they also didn't issue a final response within the eight weeks the Financial Conduct Authority allows under the complaint handling rules.

As Ms A remained unhappy with the service she'd received from British Gas, she approached this service.

Whilst the complaint was with this service, British Gas made offers of compensation, which the investigator relayed to Ms A. However, Ms A didn't think the final offer British Gas made totalling £250 was reasonable.

Our investigator looked into things and didn't think this was enough either, she recommended British Gas increase this to £500. British Gas agreed with the increased compensation.

Ms A also initially agreed. However, via her representative, she later rejected this as she didn't think it was sufficient for what had happened.

As an agreement couldn't be reached, the case was passed to me to decide.

I reached a different outcome to our investigator, so I issued a provisional decision, to give both parties an opportunity to comment on my initial findings before I reached my final decision.

## **What I provisionally decided – and why**

In my provisional decision, I said:

*"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

*As I've reached a different outcome to our investigator, I'm issuing a provisional decision, to give both parties an opportunity to comment on my initial findings before I reach my final decision.*

*I should also clarify that I don't intend to comment on every event which occurred throughout the claim. I don't mean this as a discourtesy to either party, instead this reflects the informal nature of this service, and my role within it. However, I'd like to reassure both parties that I've considered all the information they've provided when reaching my provisional decision.*

*Ms A reported she had no hot water in September 2022, a visit took place shortly after and parts were ordered. However, it wasn't until February 2023 that repairs were completed. During this time, an issue was also reported with the toilet, and this wasn't resolved until the following month.*

*During the five-month period it took to resolve the hot water and pump issue, appointments were arranged and cancelled due to a lack of engineer availability. Appointments were also made, and engineers didn't turn up either. And the cancellation, failed appointments and the delays in repairs was all whilst British Gas was aware Ms A had no hot water, and it was winter.*

*Ms A says she contacted British Gas a significant number of times over the five-month period. She says this includes 29 calls in one month alone. Whereas British Gas has said they don't have any records of regular contact from Ms A between the claim being raised and repairs being completed. However, I've seen phone records from Ms A (and British Gas were sent a copy of these by our investigator), and I can see that Ms A did chase British Gas and their agent several times over the five-month period.*

*However, I should also point out that a significant number of calls, 67 out of the 95 calls which have been highlighted on the phone bills by Ms A, isn't actually a number associated with British Gas or their agent. Instead, it is actually a number for a provider which enables calls to be made internationally. So, I assume this number has been highlighted and referred to by Ms A as British Gas (or their agent) in error, and it was actually her calling abroad instead.*

*Whilst Ms A has said that we should obtain phone records from British Gas, they have said they have no records of contact during this time. Regardless of this (and that the vast majority of calls Ms A referred to were actually nothing to do with British Gas), I'm satisfied Ms A did call them a large number of times over the five months as shown by her phone bills. And even without British Gas' records of those calls, that's sufficient evidence for me to be persuaded Ms A tried to get things moving regularly, and I've taken this into account when reaching my provisional decision and what I'm minded to direct British Gas to do to put things right.*

*Ms A has also explained that she needed to purchase gym passes in order for her and family to take hot showers, along with boiling a kettle for hot water. And often cold showers had to be taken too. So, it's clear that the lack of hot water was very disruptive and inconvenient and had an impact on Ms A and family, and that was over a five-month period.*

*But it isn't disputed that the service British Gas (and their agent) provided fell short. This is why they offered £250 compensation initially and agreed to increase this to £500 when recommended to by our investigator.*

*However, I don't think this is sufficient for the prolonged impact the claim had on Ms A.*

*It's clear that five months to restore hot water is far longer than it should have taken. It was during the winter period, and Ms A actively tried to contact British Gas (and their agents) to have matters resolved. She also raised a complaint, but this wasn't actioned and was closed incorrectly by British Gas, which also meant no action was taken from British Gas' side to try to move things forward with their agent.*

*This meant Ms A had to contact this service, and it wasn't until we became involved that British Gas then arranged for repairs to be carried out, some five months after first being reported.*

*As I say, during this period, Ms A either had to boil a kettle for hot water, have a cold shower, or shower at a gym. And doing this for five months is clearly very inconvenient.*

*So, whilst I think £500 does go some way towards compensating Ms A, I don't think it's sufficient for the prolonged period the inconvenience and impact happened for. Unless anything changes as a result of the responses to my provisional decision, I intend on directing British Gas to pay £750 compensation for the inconvenience caused. I think this amount would be fair and reasonable in all the circumstances to compensate Ms A.*

*Additionally, as I've mentioned, Ms A also had to use a gym during this time for a hot shower. She's provided receipts of the pay-as-you-go access she had to purchase during this period totalling £188. British Gas has also been sent copies of these. And whilst I think £750 compensation is a fair amount for the impact of what happened, this gym cost is a specific quantifiable financial loss Ms A has incurred. So, separately to the compensation, I'm also minded to direct British Gas to reimburse this cost (£188) with 8% simple interest from date of each payment to date of settlement.*

*Ms A also said she had to boil her kettle for hot water, and this would have had an impact on utility bills. However, it is going to be near impossible to demonstrate that the kettle was only boiled for that specific purpose alone or quantify the exact specific cost of this. But I think the compensation I'm minded to direct British Gas to pay is more than sufficient to take this potential increased cost into account within that.*

*Ms A has also asked for a refund of premiums for the policy for this period. I don't intend on directing British Gas to reimburse this. This is because ultimately Ms A has been able to benefit under the policy for both the issues she claimed for as British Gas did eventually carry out repairs. I accept that the handling of these claims was poor, but that's why I'm minded to direct British Gas to provide significant compensation (and the reimbursement of the gym costs), and I think that's fair and reasonable and sufficient in the circumstances. So, I don't intend on directing British Gas to reimburse the premiums paid."*

Therefore, I was minded to uphold the complaint and to direct British Gas to pay Ms A £750 compensation, reimburse the £188 incurred for pay-as-you-go gym access, with 8% simple interest added from date of payment of the invoices to date of settlement.

### **The responses to my provisional decision**

British Gas responded and said they accepted the provisional decision and had nothing further to add.

Ms A also responded and said she had nothing further to add.

### **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.

And I've thought carefully about the conclusions I came to in my provisional decision. Having done so, as neither party has provided anything which would lead me to depart from my provisional findings, my final decision remains the same as my provisional decision, and for the same reasons.

## **My final decision**

It's my final decision that I uphold this complaint and direct British Gas Insurance Limited to:

- Pay Ms A a total of £750 compensation
- Reimburse the £188 incurred for pay-as-you-go gym access
- Add 8% simple interest\* to the reimbursement from date of payment of the invoice to the date of settlement

\* If British Gas Insurance Limited considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Ms A how much it's taken off. It should also give Ms A a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 11 September 2023.

Callum Milne  
**Ombudsman**