

The complaint

Mrs D complains about the service she received when she made a claim on her HomeCare insurance policy with British Gas Services Limited ("British Gas").

What happened

Mrs D has a HomeCare policy with British Gas which provides cover for boiler, controls, and central heating on a service and repair basis, and plumbing, drains, and home electrics on a repair only basis.

Mrs D says she reported a leak to British Gas in February 2023 but it delayed in carrying out the repair which caused further damage to her home. The leak caused damage to the flooring and the walls.

An engineer attended Mrs D's property on 20 February 2023 and told Mrs D that her cylinder needed to be replaced. The engineer said he could drain and isolate the cylinder to prevent any further escape of water but Mrs D declined this as it would have left her without hot water.

The cylinder was ordered but was delayed by the manufacturer. An appointment was scheduled for 9 March 2023 but the engineer didn't attend. So, an appointment was made for 14 March 2023 when the cylinder was finally replaced.

Mrs D wants compensation for the damage and for her premiums to be reviewed again as the cost is too high. Because Mrs D wasn't happy she complained to British Gas.

British Gas said Mrs D reported a leak from the cylinder. The engineer visited and diagnosed the cylinder needed to be replaced. A new one was ordered but there were delays with the manufacturer. British Gas said it attempted to keep Mrs D updated but the delay was outside its control. British Gas said it didn't accept liability for the damage and provided £40 compensation for distress and inconvenience caused by the delay on obtaining the cylinder. British Gas said it wasn't responsible for the increase in water rates since the leak was the cause of the increase and not anything it did. Mrs D didn't agree so referred her complaint to this service.

In an attempt to resolve Mrs D's complaint British Gas increased its compensation from £40 to £200 to reflect the distress and inconvenience caused. Mrs D didn't agree with the increase in compensation. She said the damage to her property is beyond what is being offered.

So, one of our investigators looked into things for her. She said based on what she'd seen she could see British Gas were poor at communicating with Mrs D. But the delay in fitting the cylinder was five days. Mrs D was asked if she wanted the cylinder drained and isolated to stop further water escaping but she declined. The investigator said the terms of the policy confirm British Gas isn't responsible for damage from a water leak. The investigator said she thought £200 was fair given the level of distress and inconvenience caused to Mrs D. Mrs D didn't agree and so the complaint has come to me to decide.

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 don't think British Gas need to take any further action in respect of this complaint. I know this will come as a disappointment to Mrs D so I'll explain why.

It's clear Mrs D feels very strongly that her complaint should be upheld and that British Gas should pay to repair the damage caused by the water leak. As a longstanding customer I recognise that she feels let down by the service she's received. But while I can understand Mrs D's frustration, our service is impartial. We don't take either side's instructions on how we investigate a complaint, and we don't regulate or punish businesses. My role here is to assess whether I think British Gas made a mistake or treated Mrs D unfairly.

Under the general exclusions section of the policy it says, *"Your product doesn't include repairing or replacing any damage caused by extreme weather, flooding, escape of water, structural issues, fire or explosions – or any other kind of damage that's normally covered by household insurance – unless your product specifically includes it."*

Mrs D wants British Gas to repair the damage caused by the leak since she says it delayed in repairing it. But Mrs D's policy doesn't include any repairs to damage so I can't say British Gas has done anything wrong in declining to carry out the repairs.

When Mrs D called British Gas to report the leak it was already beginning to cause some damage to her home. The policy Mrs D has with British Gas is to repair the issue – but not any damage flowing from it. That's what buildings and contents insurance covers. I accept the longer the leak was left the more damage it was likely to cause.

Mrs D provides testimony that had she been asked if she wanted to drain and isolate the cylinder she would have agreed. British Gas has said there is no evidence the standard operating procedure wasn't followed by the engineer. In cases like this, where there is no definitive evidence, I have to consider what is most likely on balance. Mrs D contacted British Gas to repair the leak. So when the engineer attended he offered to isolate it, but this would have left her without hot water during the winter. And since she thought the matter would be resolved quickly it's likely she didn't think the isolation was necessary at that stage. I also haven't seen anything to suggest Mrs D contacted British Gas in the meantime to report any escalating damage to her property.

It's not in dispute that the leak caused damage to Mrs D's home. The issue is who is responsible for repairing the damage. And based on what I've seen I don't think British Gas is. It didn't cause the damage, and it replaced the cylinder as I would expect it to under the terms of the policy.

The policy says, *"We're not responsible for any loss of or damage to, or cleaning of property, furniture or fixtures as a result of your boiler, appliance or system breaking or failing unless we caused it, for example damage caused by water leaks...we're also not responsible for any losses incurred as a result of delayed, rearranged, or cancelled appointments."*

Looking at what happened I think British Gas attended to fix a leak following Mrs D's call. And the part had to be ordered. From the evidence provided I've seen the engineer who was due to replace the cylinder was unwell and so there was a delay in carrying out the repair, which caused unnecessary inconvenience and discomfort to Mrs D.

British Gas accepted the failure in service. the issue here is whether the compensation offered was reasonable. And based on what I've seen I think it was.

I know my answer will be disappointing for Mrs D. But, having considered everything, I think the steps British Gas has already taken to put things right were fair and reasonable. So, I won't be asking it to do anything further.

My final decision

British Gas Insurance Limited has already made an offer to pay £200 to settle the complaint and I think this is fair in all the circumstances.

So my decision is British Gas Insurance Limited should pay Mrs D £200.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 9 February 2024.

Kiran Clair
Ombudsman