

## The complaint

Mr H is unhappy with the service provided by British Gas Insurance Limited (BGI) following an incident that caused damage to his home.

## What happened

In December 2020 BGI replaced Mr H's unvented hot water cylinder. In October 2022 BGI sent a plumber to attend to a water leak in Mr H's property. The following month, Mr H complained that the cylinder had not been fitted properly, and as a result, there had been damage caused to his property. BGI accepted that the damage had been caused following work completed by its plumber. So it agreed to repair the damage, or offer Mr H a cash settlement so that he could get the work done himself.

As part of its offer to put things right, BGI said that it would cover damage to the bathroom floor tiles. BGI attempted to arrange repairs with one of its own contractors, but several months passed without resolution to Mr H's concerns. Mr H said he couldn't find bathroom floor tiles to match his wall tiles. Mr H sent images of his existing bathroom, explaining that the floor and wall tiles were both matching, and so both would need to be replaced as part of BGI's offer to put things right.

BGI disagreed. BGI said the wall tiles were undamaged, and so it wouldn't be including the cost of the wall tiles in its settlement offer. BGI offered Mr H a cash settlement offer of £3,385, or the option to have one of its contractors complete repairs to the cylinder cupboard, ensuite and bathroom floors, and utility ceiling. Mr H wasn't happy with this offer, as he believed BGI should also pay for the cost of replacing the bathroom wall tiles.

BGI said its offer to settle Mr H's claim was fair, but in addition to this, it would also pay Mr H £150 compensation (subsequently increased to £300) in recognition of the delays in dealing with Mr H's concerns about the repairs.

Mr H brought his complaint to this service for investigation. BGI subsequently increased its offer of compensation from £300 to £750. The investigator said the compensation offer for £750 was reasonable, and in line with our approach. The investigator also recommended that if BGI is unable to find similar floor tiles, it should replace both the floor and wall tiles, or cover the costs for Mr H to replace the wall tiles.

BGI didn't accept the investigator's findings saying '*I agree that the tiles offered by [our contractor] are a different size and finish to the current floor tiles, however I would like to point out that Mr H's current floor and wall tiles are different in size and finish.*' Mr H accepted the investigator's findings. As the complaint couldn't be resolved it has been passed to me for decision.

## 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 reviewed the evidence, I agree with the investigator's outcome on this complaint for broadly the same reasons. I've focused my comments on what I think is relevant. If I haven't commented on any specific point it's because I don't believe it has affected what I think is the right outcome.

Despite Mr H's complaint with BGI being on-going for some time, the scope of Mr H's outstanding complaint relates to BGI's refusal to pay for the cost of replacing his bathroom wall tiles. So I've focused my decision on this part of Mr H's complaint.

It should first be clarified that Mr H's claim isn't being made under the terms of an insurance contract with BGI. BGI accept that it has taken responsibility for covering the damage caused to Mr H's property because of the poor repairs completed by its approved plumber.

In the absence of an insurance contract, there aren't any terms or conditions to use as a starting point to say what BGI should do to put things right. BGI has referenced its own contract with the underwriter for its insurance. BGI says the terms of this should be applied in this case. But I don't agree. The dispute in the current complaint is between Mr H and BGI. When determining what BGI should do to put things right, I've considered our principles of fair and reasonable.

With this in mind, I note BGI says it has already offered to cover the damage that has been caused directly by poor repairs. BGI say the scope of this doesn't include the wall tiles, because no damage was caused to this part of Mr H's bathroom. Mr H agrees that the wall tiles have not been damaged. But he says he hasn't been able to find floor tiles that exactly match his existing wall tiles, and so it's fair for BGI to replace both the floor and wall tiles.

BGI's main issue with replacing both the floor and wall tiles is that it says the existing floor and wall tiles aren't an exact match. It has supplied photos in support of this. BGI has also provided a photo showing the floor tiles found by its contractor in settlement of Mr H's claim. I've carefully considered BGI's comments, and the photos it has provided in support of its position. And overall, I think BGI should cover the cost of replacing both the bathroom floor and wall tiles. I'll explain why.

Firstly I want to reassure BGI I have considered its comments saying the floor tiles found by its contractor, although not an exact match, are a suitable replacement for the damaged floor tiles. BGI says it's evident that *'Mr H's current floor and wall tiles are different in size and finish'* and so are not an exact match. But even having considered this, I don't think it's fair for Mr H to be left with a bathroom without matching floor and wall tiles (as Mr H believes to be the case) through no fault of his own. And so, I think BGI covering the cost of the wall tiles is fair, considering the individual circumstances of this complaint.

It's not disputed that it is because of BGI's error that Mr H has found himself in a position where there is damage to his bathroom that needs repairing. I accept that the damage caused by the plumber doesn't extend to the bathroom walls. But I'm also persuaded that it's reasonable to expect BGI to complete repairs that put Mr H's bathroom back into the position it would've been in had the damage not been caused in the first place.

I accept BGI dispute the concerns raised by Mr H about the bathroom floor tiles and wall tiles being matching. I don't think either party is likely to be persuaded from its position on the whether the floor and wall tiles are matching. But, Mr H had the benefit of enjoying his bathroom in the design and style it was in before the damage happened. The damage was caused by BGI's appointed plumber. The wall tiles are a prominent part of the bathroom and its design. So I can appreciate Mr H's position in making sure they match as far as possible. And my direction for putting things right isn't being made under the terms of an insurance

contract. So I don't think the principles of 'betterment' apply in the same way they would under an insurance contract.

The investigator also recommended BGI pay Mr H £750 in recognition of its poor service, and the impact on Mr H. I'm satisfied this amount is fair, and in line with our approach. As BGI was responsible for managing the repairs, BGI should've done more to support Mr H in completing the repairs to his bathroom in good time. It could've achieved this by pro-actively managing Mr H's concerns, and ensuring timely progression of his complaint. Its failure to do this meant that Mr H had to continually chase BGI for updates.

I've considered our approach to compensation, alongside what's happened, and the impact on Mr H. And I'm satisfied payment of £750 is fair compensation to Mr H, in recognition of what went wrong with the handling of his repair complaint, and the impact on him. I say this because £750 reasonably reflects the poor handling of Mr H's repairs, the avoidable delays, and the impact on Mr H over several months as a result of chasing BGI. So I'll be directing BGI to pay £750 in addition to other actions for putting things right.

### **Putting things right**

Following confirmation from Mr H on what he would like to do, BGI is directed to:

1. Pay Mr H £3,385 for the cost of the damage it has already agreed to cover (the cylinder cupboard, ensuite and bathroom floors, and utility ceiling), or if Mr H prefers, arrange for a BGI approved contractor to complete these repairs;
2. Pay Mr H's costs to replace the wall tiles for the bathroom; and
3. Pay Mr H £750

### **My final decision**

For the reasons provided I uphold this complaint.

British Gas Insurance Limited must follow my directions above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 25 April 2024.

Neeta Karelia  
**Ombudsman**