

The complaint

The estate of Mrs B complains about British Gas Insurance Limited (“BGI”) and the service provided after they made a claim on the HomeCare insurance policy they held.

The estate of Mrs B has been Mrs M, it’s executor. So, for ease of reference, I will refer to any actions taken, or comments made, on behalf of the estate as “Mrs M” throughout the decision where appropriate.

What happened

The claim and complaint circumstances are well known to both parties. So, I don’t intend to list them chronologically in detail. But to summarise, the late Mrs B held an insurance policy, underwritten by BGI, when an issue developed with her toilet in her property. At the time, the late Mrs B was receiving treatment in hospital and so, Mrs M contacted BGI in October 2022, as she held Power of Attorney (“POA”). This was after Mrs M had attempted a repair with a local contractor.

BGI instructed their contractor, who I’ll refer to as “D”, to arrange attendance to rectify the issue. But there were delays in arranging this attendance and then difficulties encountered in clearing the blockage and then refitting the toilet. This resulted in the late Mrs B’s property being without a functioning toilet for a period of time, until Mrs M’s partner refitted it himself late in 2022. Mrs M was unhappy about this, so she raised a complaint.

Mrs M complained about the delays and difficulties she had experienced, setting out how this had impacted her and her sister, the other executor of the estate, which included the impact it had on her serious medical conditions at the time. And she set out how dangerous the situation could have been for the late Mrs B, had she returned to the property, albeit this didn’t happen before her passing.

BGI responded to the complaint and upheld it, albeit there was a delay in providing their final response. In summary, BGI accepted there had been errors during the claim process and that the late Mrs B’s claim wasn’t prioritised as it should have been. So, to recognise this, they paid the late Mrs B £350 compensation in June 2023.

Unfortunately, in July 2023, the late Mrs B passed. So, in December 2023, Mrs M referred the estate of Mrs B’s complaint to our service as she remained unhappy with BGI’s response.

Our investigator looked into the complaint and didn’t uphold it. They accepted BGI’s service fell below the standard we would expect, as this was accepted by BGI themselves.

But they explained the limitations of our service, and what we are able to consider. Specifically, they explained that, in line with our rules set by the industry regulator, our service is only able to award compensation to recognise the distress and inconvenience caused to the policyholder, which in this case was the late Mrs B. So, while they didn’t dispute Mrs M’s testimony setting out how handling the claim, and living in the property, had impacted her and her medical conditions, our investigator explained this wasn’t something

they could recommend BGI to award compensation for.

So, because of this and the fact the late Mrs B wasn't living in the property at the time of the claim, they thought the £350 paid by BGI was a fair one. And they didn't recommend BGI do anything more.

Mrs M didn't agree, providing extensive comments setting out why. These included, and are not limited to, Mrs M's continued reassertion about how the claim had impacted both her and her sister. She continued to reiterate the impact the delays in repairing the toilet had, and how the way BGI handled her complaint had caused further distress to her.

Our investigator considered all the comments Mrs M made but their opinion remained unchanged. As Mrs M, on behalf of the estate of Mrs B, continued to disagree, the complaint has been passed to me for a 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 done so, I'm not upholding the complaint for broadly the same reasons as the investigator. 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's affected what I think is the right outcome.

First, I want to recognise the impact this complaint has had on Mrs M. I don't doubt it would've been difficult, and very inconvenient, managing the claim on behalf of the late Mrs B. Especially when Mrs M's own medical conditions are considered, which I don't dispute were serious and life impacting. And I do appreciate how the nature of the claim, relating to a blocked drain and toilet, would've caused additional concern, due to the sanitary issues and how this could impact Mrs M's health. So, I do understand why Mrs M would feel it fair for any compensatory offer made by BGI to consider the above.

But crucially, this isn't something I, nor our service, are able to consider or direct. In situations such as these, the rules we work within, set by the industry regulator, explain that any compensation we direct must be to recognise the impact caused directly to the policyholder. So, in this situation, that is the late Mrs B, and this is what I've considered when reaching my decision.

And when reaching this decision, I've noted that BGI have already accepted the service they provided fell below the standard they would expect. This includes, and is not limited to, their acceptance it took too long to arrange for D to visit the late Mrs B's property, especially as she was listed as a vulnerable customer. And their acceptance there were issues in completing the repairs, which were two-fold, both unblocking the drain and refitting the toilet, which they accept was ultimately completed by a third-party who in this situation was Mrs M's partner.

So, as BGI have already accepted they have acted unfairly, I don't intend to discuss the merits of the complaint in any further detail. Instead, I've turned to what I'm satisfied does remain in dispute, which is what BGI should do to put things right.

In their complaint response, BGI issued a cheque for £350 to compensate the late Mrs B for the impact their errors and poor service caused. And having considered this payment, I'm satisfied it's a fair one that falls in line with our services approach and what I would have directed, had it not already been put forward.

I think it is significant enough to recognise BGI's failures to identify and treat the late Mrs B as a vulnerable customer, which given her health at the time I think it's clear she was. And that had they done so, this would have prevented the delays in returning her property to its pre-claim condition, with a clear drain and functioning toilet.

But I think it also fairly reflects the fact that during the claim and complaint process, the late Mrs B wasn't living in the property and so, wasn't directly impacted by the fact there wasn't a working toilet at her home for a period of time. And, that the late Mrs B was being represented by Mrs M during the claim process and so, didn't incur the inconvenience of needing to chase and engage with BGI to ensure attendances were held and repairs completed.

So, because of the above, I'm not directing BGI to do anything more on this occasion.

Again, I want to make it clear to Mrs M that this decision isn't in any way intended to take away from her lived experience. I don't dispute managing the claim, and living in the late Mrs B's home during this time would've been distressing and inconvenient, especially when her medical conditions are considered.

But as I've set out above, and already explained by our investigator, our service is only able to consider the impact felt directly by the late Mrs B, and not her representatives, even if they held POA. And when doing so, I'm only able to consider impact that did occur. I'm unable to compensate the late Mrs B and her estate for what may have happened, such as the dangers to her if she had returned to the property.

I note Mrs M has stated she was unable to cash the cheque originally issued by BGI, on behalf of the late Mrs B's estate. I would expect BGI to engage with Mrs M, as the estates executor, to ensure a new cheque is issued that can be processed by the estate.

My final decision

For the reasons outlined above, I don't uphold the estate of Mrs B's complaint about British Gas Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mrs B to accept or reject my decision before 1 May 2025.

Josh Haskey
Ombudsman