

The complaint

E complains about British Gas Insurance Limited (“BGI”) and their handling of the claim it made on its Multi Premises insurance policy.

E’s claim has been brought to our service by its director, Mr S. For ease of reference, I will refer to any comments made, or actions taken, by Mr S as “E” 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, E discovered an escape of water at one of its properties covered under the policy BGI underwrote. So, it contacted BGI to make a claim.

BGI attended the property to investigate and resolve the leak in question on two occasions, the last of these being in October 2024. On both occasions, E was told it would need to contact its water provider to isolate the external stopcock, before a full replacement of the internal stopcock could be considered.

E was unhappy about this. And it instructed its own plumber to complete the replacement, at a cost of £250. So, it raised a complaint. E set out why it felt it was unfair for BGI to direct them to contact its water provider, rather than freezing or crimping the pipework to complete the repair as its own plumber had done. And E was also unhappy with the communications issues it encountered when trying to contact BGI.

BGI responded to the complaint and upheld it in part. They set out why they felt their engineers had acted fairly, and in line with the policy terms and conditions, when providing the advice they did. But they reimbursed the £250 E had paid to its own plumber as a gesture of goodwill. They also accepted E had encountered issues when trying to contact them, offering £50 compensation to recognise the inconvenience this caused. E remained unhappy with this response, so it referred its complaint to us.

Our investigator looked into the complaint and didn’t uphold it. Both parties have had sight of this outcome, so I won’t be recounting it in detail. But to summarise, our investigator was satisfied BGI had acted fairly, and in line with the terms and conditions of the policy, when processing the claim raised. And they thought BGI’s reimbursement of the costs E incurred replacing the internal stopcock, alongside the £50 compensation offered, was a fair offer to recognise the service issues E encountered and the inconvenience this caused. So, they didn’t recommend BGI do anything more.

E didn’t agree. It maintained its position that freezing and crimping the pipework would have been a reasonable action for BGI to take. And that by not doing so, it was inconvenienced by needing to source its own plumber to complete the repair work. So, E maintained the compensation offered by BGI should be increased. As E didn’t agree, 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.

Before I explain why I've reached my decision, I want to set out what I've been able to consider, and how. I recognise E raised several complaints to BGI about different issues it encountered at different, and the same, property this decision considers. But this decision will focus solely on E's complaint about BGI's handling of the claim it made regarding the downstairs escape of water, the subsequent advice and service provided and crucially, the impact caused to E.

And when doing so, I must be clear that E was the policyholder, as a limited company. So, in line with our services approach, I'm unable to consider or award compensation for the distress E's director, Mr S, was caused during the claim process. Instead, I can consider the inconvenience caused to E, and any financial loss it may or may not have incurred. And when doing so, I've made my decision based on the information and evidence available to me.

In this situation, from the invoice E provided to BGI from its own plumber, a full replacement of the stopcock was completed. So, this is what I've assumed has taken place and my understanding of the events that took place has been centred around this.

So, I'm satisfied the crux of E's complaint centres around BGI's refusal to freeze or crimp the pipework to allow a full replacement of the internal stopcock to take place. And I've considered whether B acted fairly, and in line with the terms and conditions, when explaining for this replacement to be completed, E would first need to contact its utilities provided to isolate the external stopcock.

I've read through the terms and conditions of the policy BGI provided at length. And these explain within the general exclusions section of the policy, under the heading "*External water supply stopcock*" that if BGI are unable to turn off the external water supply stopcock to complete the repair then "*it's up to you to get your water supplier to turn it off*".

I've seen the notes of the visits BGI undertook that related to this issue, in April and October 2024. And both sets of notes explain the engineers were unable to turn off/isolate the stopcock. So, considering this, and the terms and conditions I've quoted above, I'm satisfied BGI, and their engineers, acted fairly when advising E to contact their water supplier to isolate the external stopcock, before a full replacement could be arranged.

I recognise E's position that this wasn't a reasonable request. And that freezing or crimping the pipework was a viable alternative, as this is what their plumber did to complete the replacement E ultimately paid for.

But BGI have explained this isn't work they offer, or complete, due to the complications this creates. I must be clear it's not my role to re-underwrite the claim or speculate on the technical specifications of what work should be carried out and when. So, I'm unable to say BGI's stance here was an unreasonable one.

But what I can say is this appears to fall in line with their terms and conditions, which reverts

a customer such as E back to their water supplier to complete any external stopcock isolation first. So, I'm satisfied BGI treated E fairly, and the same as any other customer, when providing this advice.

And even if I was to speculate on the work BGI should have completed and agree with E's position, which I'm unable to do, my direction would be for BGI to cover the costs of the work E paid for themselves, which I note BGI has done already. And that crucially, BGI took this decision as a gesture of good will without being obligated to do so, considering their general exclusions also explain that they *"won't offer you cash instead of carrying out an annual service, repairs or replacements"*.

In this situation, I'm satisfied BGI provided E with the correct advice to allow them to complete the permanent repair at a later date. And from the evidence available to me, I'm persuaded E likely didn't follow this advice. So, I'm satisfied BGI's decision to cover these costs went above and beyond their obligations under the policy they offered and that they acted fairly when doing so.

I then turn to E's complaint about the difficulties it encountered when trying to contact BGI. And I note it's accepted by BGI that their service fell below the standard they expect. So, I'm satisfied this complaint point isn't in dispute and that BGI did act unfairly when communicating with E about this specific claim in question.

But crucially, I'm satisfied the £50 compensatory payment already offered by BGI is a fair one, that falls in line with our services approach and what I would have directed, had it not already been put forward. So, it's not one I will be increasing.

I'm satisfied it fairly reflects the inconvenience E will no doubt have been caused by the communication issues it experienced relating to this claim in isolation. I don't doubt it would have been inconvenient, and a time burden, for calls to be dropped and not returned.

But I'm satisfied the £50 is also fairly reflective of the limited contact E would have needed to have held with BGI regarding this claim in isolation, and the fact E was given the correct information on how a permanent repair could be effected in April 2024. And that from the evidence I've seen, I'm not persuaded E followed this advice which resulted in a further attendance being required in October 2024.

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

From the evidence available to me, it appears this £50 has been paid to E as part of an additional payment made to address several different complaints detailed in their complaint response issued on 18 February 2025. If this isn't the case, I would expect BGI to proactively contact E to ensure this payment is raised.

I understand this isn't the outcome E was hoping for. And I want to reassure E I've considered all of the representations it's put forward, even if I haven't commented on them directly due to the informal nature of our service. But based on the evidence that has been provided to me, I'm not persuaded that BGI should do something more than they have already on this occasion.

My final decision

For the reasons outlined above, I don't uphold E's complaint about British Gas Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask E to accept or

reject my decision before 29 September 2025.

Josh Haskey
Ombudsman