

complaint

Mr B complains about what happened when he got repairs done by British Gas Insurance Limited ("BGI").

background

Mr B told us that he rang BGI about a leak. Someone came out to fix it early in February 2018. A couple of weeks later, Mr B went back into that area of the house, and found that the carpets were soaking wet. He said that the person who did the first repair didn't use plumbing tape inside the repair, and the repaired pipe leaked badly. Mr B said that caused considerable damage to the dining room carpet and underlay, and the curtains.

BGI did admit liability, and it asked Mr B to send it a quote for the damage.

Mr B got a quote to replace the damaged carpet, and sent it to BGI. He isn't pursuing a claim for the curtains.

In April, BGI said that it wanted to send an independent inspector to check the damage. Mr B said that he'd already waited in for five days for various reasons to try to get this problem sorted out, and he'd made a lengthy trip to get the quote, so he was reluctant to allow further delays. Mr B said he was upset by the allegation that he might be inflating his claim, but he seems to have accepted that BGI wanted to validate the claim he was making, so this visit went ahead.

In early May, Mr B said that he still hadn't had any payment or a response to his complaint about the delay in resolving this issue, so he complained to our service. BGI wrote to Mr B then to say he could now complain to us if he wished, because of the length of time it had taken to resolve the issue.

BGI wrote to us with some details of Mr B's cover, and progress on the complaint so far. It said that it was still actively dealing with his claim. It confirmed that it had accepted liability. It said that it realised this had taken some time, but it was following its standard process, which included sending a loss assessor out to visit and review the extent of the damage. BGI said that it needed a chance to investigate the complaint fully before it could reach a view. But given the length of time this had already taken, BGI said it would pay Mr B £30.

Mr B then contacted us to say that he'd received an offer from BGI in full and final settlement of his claim. Our adjudicator said that we might not be able to investigate the complaint if he accepted that. Mr B said that he was happy with the offer to repair the damage, but thought he ought to get some compensation as well. He pointed out that he'd had to make a 120 mile round trip to match the old carpet (that was the nearest branch of the chain he'd purchased the original from) so he was out of pocket. And he said that this had also taken up several days of his time. He said he would accept the settlement BGI offered on the basis that it was for the carpet costs only, and didn't deal with the issue of compensation.

BGI confirmed that it had discussed this with Mr B, and it understood that he wouldn't be accepting this payment in full and final settlement. He intended to note on the form that this payment didn't include compensation for the delays that BGI had caused in settling this claim.

BGI then offered to pay Mr B £60 in compensation. And it said that it would pay him his petrol costs if he could provide proof of the journey in the form of a fuel receipt.

Mr B didn't accept that. He said it was a 120 mile round trip, he'd accept 45p per mile for that, but he said he couldn't provide petrol receipts. His car was already fuelled when he set off on the journey. He said that the process seemed to be turning into a farce. He said that by this time he'd spent a total of seven days waiting for a variety of BGI's agents to come and rectify and/or assess the damage caused by them. He said that £500 in compensation plus £54 mileage would be reasonable.

BGI said it would pay what Mr B had asked for in fuel costs, but it wouldn't pay any more than £60 in compensation.

Our adjudicator asked BGI for more information on this case. BGI refused to provide it, on the basis that a payment had been made, and Mr B had signed to say that he was accepting that money in full and final settlement. BGI sent our service an unsigned copy of the settlement form. It stated Mr B had returned that, and payment had been issued.

Mr B told us that he hadn't accepted that payment in full and final settlement. He said he had annotated the form to make clear that it didn't settle his complaint about the poor service he'd received, as he'd said to both us and BGI that he would.

Our adjudicator upheld this complaint. She said that she'd asked BGI for the information that she would need to set out a full timeline, and it had refused to provide it.

Our adjudicator didn't accept that Mr B had signed a form stating that his complaint had been completely settled. And she said that BGI was aware that our service was already dealing with this complaint.

Our adjudicator said she'd received very limited information from BGI, but from what she had seen, she didn't think that BGI had dealt with this complaint fairly. It took around four months to settle. Mr B had contributed towards that delay in the sum of three weeks, the time he took to get a quote. BGI had delayed five weeks between being aware of the damage, and arranging an inspection.

Our adjudicator said she didn't know why Mr B wasn't paid until June, but she said that it seemed to be BGI's fault. She did think that a payment of £54 for fuel costs was reasonable. But she didn't think that £60 was enough to make up for the trouble and upset caused. She said that she would propose that BGI pay £260 instead.

Our adjudicator said that if BGI disagreed with that, then she would like it to send the evidence that she had asked for, so she could reconsider.

BGI didn't accept that. It offered a total of £184, including fuel costs, and said it didn't think it needed to send more evidence. BGI repeated that Mr B had accepted a cash settlement for the damage to his property. Mr B said he wouldn't take £184, but he would accept a total of £249. BGI wouldn't pay that.

Both sides wanted this issue to be resolved by an ombudsman. So the case was passed to me for a final decision.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I've reached the same overall conclusion on this complaint as our adjudicator.

Mr B has an insurance policy which covers him for repairs to his plumbing and drains. BGI hasn't sought to argue that the repairs that were done to Mr B's home weren't done under this policy. And it has accepted liability for the damage caused by the initial repairs. This complaint deals primarily with how BGI responded to that claim for damage to Mr B's carpet and underlay. As I've noted, Mr B doesn't pursue the claim for damage to his curtains.

Mr B told us that he needed to make a 120 mile round trip to match the sample from his original carpet. BGI has agreed to pay £54 for this. I think that's a fair resolution to that part of Mr B's complaint.

But the substantive issue of who is responsible for the delay in this case, and whether it is reasonable, is more difficult to resolve. That's because BGI has supplied very little information in this complaint. As our adjudicator stated, there isn't enough to provide a clear and detailed timeline of events. But that is BGI's choice.

BGI has asserted that it doesn't have to send our service more information, because it says it has paid Mr B an amount in full and final settlement of this complaint. It has sent us a blank document, which, if signed in an unannotated form, would purport to fully settle this complaint.

Setting aside whether trying to reach a full and final settlement with Mr B was an appropriate step for BGI to take once a complaint had been raised with our service, Mr B told us and BGI that he didn't want to accept this money in full and final settlement. BGI similarly told us that it had discussed this with Mr B, and he had said he would amend the form to make clear it wasn't settling his complaint about the delay. Mr B has since told us he did that.

If BGI wanted me to accept that Mr B had taken this money in full and final settlement of his claim, it would need to show me that he didn't annotate the form, he just signed it. It has chosen not to do that. On the evidence I have seen, I don't think it's likely that Mr B forgot to make those annotations. So I don't think the complaint which he brought to our service has been settled. I also note that BGI continued to make further offers, even after the alleged settlement, which doesn't seem consistent with its suggestion that the matter had already been finalised.

If the complaint isn't settled, then BGI would have been well advised to provide our service with enough evidence to explain why it took until June to pay Mr B for damage that was reported to it in late February. It just hasn't explained that.

Mr B has provided the informal notes he made for his complaint, which do offer some information about what happened. I can see that some of this time was used up while Mr B was obtaining a quote, but that doesn't seem to explain more than three weeks of this period. Mr B was initially reluctant to allow an independent expert to view the damage, but that issue seems to have been resolved within a day or two. The rest of the delay in resolving the issue and making a payment remains unexplained.

The rules that govern our service allow me to reach a decision on the basis of the evidence which has been supplied and take account of the failure by a party to provide information requested. Our adjudicator has repeatedly requested that BGI supply more detailed information to explain the delay. That hasn't been supplied. Mr B's notes suggest that most of the delay is BGI's fault. I think that it's fair and reasonable, on what I have seen, to hold BGI responsible for most of this delay in resolving the claim for Mr B's damaged carpet.

It seems most likely that Mr B has received poor service from BGI both in terms of the initial repair, which left a leak that caused additional damage to Mr B's home, but also thereafter. As an example, Mr B told us his carpet was still damp in late March, and he wasn't yet able to replace it. I can see that BGI's engineer who fixed the leak was also supposed to give Mr B advice on drying, but I've not seen anything to suggest that BGI offered to pay for or provide drying equipment to speed up the drying process.

And BGI didn't pay Mr B for a replacement until June. Although it seems likely that Mr B didn't use this part of the house regularly, that is still a long time for part of his home to be in need of repair.

I think, for these reasons, that BGI should pay Mr B the £260 that our adjudicator suggested for the distress and inconvenience that both the delay in providing the money to repair his carpet, and the poor service he appears to have received, has caused Mr B. It can deduct any payments made in compensation from this sum. It can't though deduct the payment it has made to Mr B to replace the damaged flooring.

my final decision

My final decision is that British Gas Insurance Limited must pay Mr B £54 in travel costs, and a total of £260 in compensation for the distress and inconvenience it caused him. It can deduct any compensation payments already made from this sum, but not any payments it made towards the repairs to the damaged flooring.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 13 March 2019.

Esther Absalom-Gough
ombudsman