

## complaint

Mr B took out a HomeCare policy with British Gas Insurance Limited (BG) on 9 September 2018. He complains about the service he's received from it following a problem with his hot water supply.

## background

On 30th December 2018, Mr B suffered a rapid loss of hot water pressure which left him without hot water. He contacted BG who sent an engineer who told him that he needed a new cylinder. However he told Mr B that this wouldn't be covered under his HomeCare policy because the problem was caused by limescale. The relevant section of Mr B's policy says it doesn't cover:

*"Damage caused by limescale, sludge or other debris - if we've told you before that you need to carry out repairs, improvements or a British Gas Powerflush, or a similar process, but you haven't done so."*

Mr B maintains that he'd never been advised that his system was dirty and there was nothing to this effect mentioned in the paperwork he'd been given following BG's initial inspection visit on 12 September 2018. There was no mention of limescale, sludge or other debris. He says he wasn't told that he needed to carry out repairs, improvements or a powerflush, or a similar process. There were no recommendations made following the visit.

So after having been told by BG on a number of occasions that he wasn't covered because of the presence of limescale, BG eventually accepted that the exclusion didn't apply in his case. It accepted that there was no evidence that he'd been advised that unless he had his limescale dealt with, no further repairs could be undertaken under his policy.

Mr B says that BG then ordered a custom made cylinder for him which caused a week's delay in his getting his hot water restored. When this cylinder was delivered on 17 January, when Mr B had taken a day off work, it was the wrong size cylinder for his property. He says it was twice the height of the room in which it was to be housed. A replacement cylinder of the correct size, which had been in stock all along, was due to be delivered on 21 January. Mr B says he lost earnings to stay at home for the engineer's visit, only to learn at around midday that the engineer had cancelled his visit without informing anyone.

Another engineer came on 25 January and the new cylinder was installed, but Mr B says it wasn't installed correctly. His water continued to run cold, and then the cylinder leaked. This required a visit from another engineer who fixed the leak. Mr B's hot water supply was then restored.

BG agreed that Mr B had suffered inconvenience whilst waiting for repairs to be approved, and parts to be delivered and in BG not keeping scheduled appointments. In recognition of this, on 28 January 2019, it offered to pay him compensation of £250. This sum was arrived at as follows:

- £120.00 for the inconvenience of having to take time off work and appointments wasted
- £100.00 for the inconvenience of having no proper hot water for 26 days and having to go to work to shower

- £30.00 for delays in having to wait for a new cylinder when the wrong one was ordered.

On 30 January another problem occurred. A thermostat fault resulted in scalding hot water being delivered. An engineer, independent of BG, attributed this to the new cylinder having been fitted with the thermostat from the old cylinder. A further leak then developed. Mr B says that BG failed to attend an appointment on 4 February to deal with these issues without any cancellation message, and he didn't get any replies to his emails to BG. He says he lost another day's earnings waiting in for a BG engineer. He says he was without hot water for a total of 26 days and had to shower at work or with friends or family.

Having lost faith in BG's ability to attend appointments and undertake work correctly, Mr B said he'd be getting another engineer to sort out the problem with the thermostat and a small leak.

Mr B maintains that his hot water problem should've been resolved well within a week had there not been incorrect challenges to his right to claim the repair under his policy, the wrong cylinder ordered, a prolonged wait for unnecessary manufacture of the custom cylinder, two missed appointments, and an incorrect installation. He says he's been caused loss amounting to £1,928.62, calculated as follows:

- Excessive time without hot water: £840.00 (inconvenience, embarrassment of attending work to shower, difficulty in maintaining hygiene and interruptions to daily life)
- Lost earnings (3 days): £838.62
- Estimated cost of completion of outstanding work by a third party: £250.00

BG has confirmed that its engineer failed to record advice provided to Mr B about the need to rectify limescale problems before any further repairs could be undertaken under his policy. BG therefore agreed to replace the hot water cylinder free of charge. It also acknowledged that Mr B had experienced delays in the restoration of his hot water supply. In response to his request for compensation, it said that for it to consider his claim for loss of earnings, Mr B would need to provide some factual proof of this from his employer. Mr B responded to this by saying that the work he'd lost was overtime work, and he was unsure how this could be evidenced. BG also said that it couldn't refund the cost of work undertaken by a third party unless this was supported by an invoice for work actually carried out. BG offered to send an engineer to look at the thermostat problem, and said it would replace the thermostat but only if it was faulty.

Mr B was dissatisfied with BG's response to his complaint, and brought it to this service. Our investigator didn't think that BG had treated Mr B unfairly. It had apologised and had offered him compensation of £250. Mr B didn't agree with our investigator's view on compensation and so his complaint's was referred to me to make a 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 previously issued a provisional decision in this case. I received responses to that decision from both Mr B and BG. Mr B didn't consider that my provisional decision sufficiently reflected his situation. BG said it thought its original offer was sufficient.

Having considered these responses, neither gives me sufficient reason to change my decision. I'm therefore going to maintain my provisional decision which was to uphold Mr B's complaint, and I'll explain why.

I think there were a number of faults on BG's part which led to a significant delay in restoring Mr B's hot water supply. BG has accepted that there was some fault on its part and has offered Mr B compensation of £250, although he says he hasn't received this.

I think that to be without a hot water supply for 26 days, when the delay was attributable to faults on BG's part, deserves rather more by way of compensation. Mr B would've suffered considerable inconvenience in having to go to work or the homes of others in order to shower. I think that £150 would be appropriate compensation for such inconvenience.

Mr B also had to take quite a bit of time off work for BG appointments. Whilst it's not unreasonable that a consumer should have to take some time off work or experience some inconvenience when waiting in for contractors to attend their property, where a contractor has missed a number of appointments – in Mr B's case appointments on 21 January and 4 February – I think that additional compensation is reasonable. Mr B has said he missed out on overtime, but he hasn't provided any evidence that might support a specific sum by way of lost earnings. However I think that £250 would be fair compensation for the two days Mr B had to take off work unnecessarily.

So I'm therefore going to require BG to pay Mr B compensation of £400.

### **my final decision**

For the reasons I've given above, I require British Gas Insurance Limited to pay Mr B compensation of £400, less any sum it's already paid him.

British Gas Insurance Limited must pay the compensation within 28 days of the date on which we tell it Mr B accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 14 March 2020

Nigel Bremner  
**ombudsman**