

complaint

Miss B says that British Gas Insurance Limited mishandled a claim under a home emergency policy that resulted in a leak causing damage to her home.

background

Miss B has a home emergency policy. In January 2016 she discovered a leak and called British Gas. It sent an engineer the same day, but he didn't find the source of the leak. Three other plumbers attended Miss B's home over the next few days, but none of them discovered the cause of the leak.

Four days later a pipe burst in Miss B's home causing damage, not only to her property, but to her neighbours as well. British Gas sent a plumber who fixed the pipe and stopped the leak. He also replaced a pump that had burnt out due to the leaking water.

Miss B complained to British Gas about the service it had provided and the damage that had been caused.

British Gas agreed it should've found the leak sooner and offered Miss B compensation of £1000 for her damaged possessions and £250 for the distress and anxiety caused to her. It also covered the cost of the new pump as a gesture of goodwill as her policy didn't cover that repair.

Miss B was unhappy at the settlement and complained to this service. Her complaint was investigated by our adjudicator. He recommended it should be upheld. He said that he thought the compensation for her belongings was reasonable but that £400 was a fairer amount for the distress and inconvenience caused.

British Gas disagreed with our adjudicator's opinion and so the complaint has been passed to me.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

It's agreed that British Gas didn't provide Miss B with the level of service she should've been able to expect. So, the issue for me to decide is whether the compensation offered was fair and reasonable.

Miss B was clearly very upset by what happened. The flood has also caused problems between her and her neighbours as the leak damaged their homes too. She had tried to get the leak fixed from the day she discovered it, and had had four different plumbers around. This was clearly a very stressful event. She also had to cope with drying out her home once the leak had been fixed, so was inconvenienced by having her home waterlogged.

So, looking at the evidence I agree with the adjudicator that £250 compensation wasn't fair for the amount of distress suffered by Miss B. I think a total figure of £400 reflects what Miss B has suffered and I'm upholding her complaint.

I appreciate that British Gas replaced the pump free of charge in addition to the compensation. But I think it's likely the pump wouldn't have needed replacing if the leak had been founded before the pipe burst. So, I don't think that affects the amount of compensation it should pay Miss B.

my final decision

I'm upholding Miss B's complaint and I require British Gas Insurance Limited to pay Miss B a further £150 in compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 14 December 2016.

Jocelyn Griffith
ombudsman