

## The complaint

Mrs R has complained that British Gas Insurance Limited (British Gas) caused damage to her home as a result of work it carried out under her home emergency policy.

## What happened

Mrs R contacted British Gas when she found a leak coming from her boiler. An engineer visited and replaced a part in the boiler, which stopped the leak. About a week later, Mrs R found water leaking into a bedroom in her home. It also damaged the bathroom and kitchen.

Mrs R arranged for a plumber to visit. Mrs R thought the leak might be coming from under the bath, but when the plumber checked he couldn't find a leak. He then checked the boiler and found that the condensate pipe had been disconnected, which he said was causing a leak at the back of the boiler.

Mrs R complained to British Gas as she said its engineer must have disconnected the pipe when he fixed the original leak. When British Gas replied it said when Mrs R had reported the initial leak she had described it as “*uncontainable*”. An engineer had visited the same day and carried out a repair. It said that although a further leak had occurred, Mrs R's property had already been damaged by the first leak. It said the first leak would have produced a much higher volume of water than a leak from a condensate pipe. British Gas said it wasn't responsible for the damage and Mrs R should contact her own insurers.

When Mrs R contacted this service, our investigator didn't uphold the complaint. He said he hadn't seen evidence to show that it was likely the engineer had deliberately or accidentally disconnected the pipe, as the engineer worked on a different part of the boiler.

As Mrs R did not agree, the complaint has been referred to me.

I issued my provisional decision on 17 August 2021. In my provisional decision, I explained the reasons why I was planning to uphold the complaint. I said:

*Mrs R's plumber described the source of the leak as “... the pipework from the boiler was leaking. The pipe that was leaking was the condense pipe from the boiler which had become disconnected”. Mrs R also provided this service with photos and a video of the source of the leak and when she described what was leaking she said it was the white condensate pipe.*

*British Gas's records from the visit said that a condense tube had split. It listed the part it replaced as “Syphon Condensate – Trap”. British Gas has also now confirmed that when replacing this part, it connects to a pipe located under the boiler and that this was normally a white plastic pipe. I note that a condensate pipe is often white plastic and that this pipe is what had split. So, I think the British Gas engineer worked on the pipe that was found to be disconnected and, given the sequence of events, that it's more likely than not that the engineer didn't connect it properly.*

So, the next issue is whether British Gas was responsible for the damage to Mrs R's home, which included damage to the kitchen, a bedroom and the bathroom. When British Gas responded to Mrs R's complaint it said:

*"From a technical point of view, the initial leak would have produced a much higher volume of water, resulting in a much greater chance of property damage being caused. Whereas a leak from a condensate pipe where water would only escape when the boiler was in use, would produce a much lower volume of water. i.e. half a pint of water every couple of hours at most, if the boiler was running on maximum permanently of course."*

British Gas said the original leak would have produced a much higher volume of water, but I've not seen any evidence to support its "technical point of view" or any estimate of what that volume of water was. British Gas also said Mrs R described the original leak as "uncontainable", which it told Mrs R meant that it was "unable to be contained, thus causing property damage". It therefore argued that the property had already been damaged by the first leak. However, I note that "uncontainable" can also mean that something is "unstoppable". Mrs R also explained to British Gas that the water from the first leak could be "captured in a bowl" and that she had reported the leak as soon as she was aware of it.

I haven't seen anything to show why British Gas's assessment that the first leak produced a high volume of water, or that this was the source of the damage, should be relied on, particularly as it seems mainly to be based on its interpretation of a single word "uncontainable".

I've also thought about the second leak. I've looked at the manufacturer's website for the boiler Mrs R owned. This said:

*"A condensing boiler, on average, creates around 2 litres of condensate water per hour, and it needs somewhere to go! By having a condensate pipe, the water is safely disposed of with the rest of the water, just like a sink or washing machine"*

Mrs R said her boiler was running 24 hours a day due to the time of year and because she had a young child. This meant that, based on the information from the boiler manufacturer, the boiler was likely to be producing about 48 litres of condensate water each day. British Gas told Mrs R that the boiler would "at most" have produced half a pint of water every couple of hours, which is about 0.28 litres per hour or about 3.36 litres per day. From what I've seen, this appears to be a considerable underestimate of the amount of water produced by the boiler.

As I'm currently of the view that British Gas's engineer didn't connect the condensate pipe, this water would have been leaking from the boiler into Mrs R's home. Mrs R only realised there was a leak several days after British Gas' engineer visited. After only two days, 200 litres of water could have leaked from the boiler. Looking at the photos of the extent of the damage to Mrs R's home, I think the level of damage visible is consistent with such a large volume of water. So, thinking about both of the leaks, I currently think it's more likely than not that the damage was caused by the second leak and that British Gas was therefore responsible for the damage.

So, I've thought about what should happen as a result of this. Due to the damage caused by the leak, Mrs R has already replaced some carpets at a total of cost of £1,689, so I currently intend to say British Gas should pay that cost. I've also thought about the damage to the bathroom. Mrs R's plumber caused some of the damage while looking for the leak. However, Mrs R has explained that the plumber used a process of elimination to find the leak and that the boiler wasn't the obvious source, given British Gas had very recently carried out a repair on it. Mrs R also explained that the water from the leak got into the wall behind the bathroom

*tiles and required air drying for months. As a result, Mrs R had to retile the bathroom. In my view she had to do this as a direct result of the damage caused by British Gas, so I currently intend to say that British Gas also needs to pay the cost of retiling. The tiles cost £592.96 and the labour cost was £1,619.*

*Mrs R and her husband's passports were water damaged so also had to be replaced for a total cost of £171. So, I currently intend to say British Gas should refund the cost of replacing the passports.*

*I've also looked at the damage to the kitchen. Photos provided by Mrs R show damage to the ceiling and walls and to cupboards and worktops. Mrs R has provided the cost of materials for repairing the damage to the walls and ceiling, which came to a total of £240.90. Mrs R was unable to provide receipts from when the items were bought, but provided the price of the equivalent items at a DIY store. I'm satisfied that these costs are reasonable and that British Gas should pay them. Mrs R said her husband did the painting and re-grouting and she would like his time to be paid for at a commercial rate. However, I'm not currently persuaded that it would be fair for me to calculate a cost in this way. Instead I will consider this when I think about compensation.*

*In terms of the damage to the cupboards and worktops, I've seen evidence of water damage that has caused them to split in various places. I asked Mrs R why individual cupboards couldn't be replaced and she provided an email from the kitchen company that stated the kitchen she owned was no longer available. So, I'm satisfied that it isn't possible to replace some parts of the kitchen and not others and for Mrs R still to have a matching kitchen, which is what she had before the damage. As a result, I currently intend to say that British Gas must pay the cost to replace the kitchen, which, including replacing the cupboards, worktops, sink and taps and labour costs, comes to £12,356.*

*Where Mrs R has already paid the costs, I also currently intend to say British Gas should pay 8% simple interest on each of those amounts, as she will have lost use of that money. My understanding is that this is everything listed above apart from replacing the kitchen itself. In order for British Gas to calculate this, Mrs R would need to provide evidence to British Gas of the date on which these items were paid for, as British Gas will need to calculate the interest payable from that date. As Mrs R doesn't have the receipts for the DIY items for the kitchen, I intend to say the interest should be calculated from 1 May 2020.*

*I've also thought about compensation. Mrs R has described a range of reasons why she wants British Gas to pay her compensation, including that her baby had to move into Mrs R and her husband's bedroom because of the damage, the impact on her mental health, including because of how British Gas dealt with her. I'm also aware of the impact on her ability to enjoy her home and the disruption to her family life more broadly, including because of living in her home while it dried out and the time set aside to repair the kitchen ceiling and walls. So, having thought about this, I currently intend to say British Gas should pay £800 compensation for the distress and inconvenience caused to Mrs R.*

*I asked both parties to send me any more information or evidence they wanted me to look at by 16 September 2021.*

*Mrs R thanked me for my decision and asked if compensation could also be awarded to her husband and child.*

*British Gas sent responses from two different people, which in summary said;*

- It was refused access to view the damage and, instead, Mrs R would only send photos*
- It queried why Mrs R plumber didn't charge anything and why British Gas wasn't called out for the second leak*

- It said one of the passports was almost out of date
- It queried why it was replacing a whole kitchen
- It was positive that no matter how cold it was the boiler wouldn't have been run 24 hours a day
- It queried why some items needed replacing and why some of those items cost the amount they did.
- It said it didn't offer new for old and questioned the age of the kitchen and the damage and said it should only be responsible for replacing the damaged items and a 50% contribution to the undamaged items, which was in line with what a court would award.
- It had asked to send a loss adjuster but clarified it wanted to send a contractor to cost the work and asked if I would agree to this.

### **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've decided to uphold this complaint and for the reasons given in my provisional decision. As part of that, I should clarify that the 200 litres that may have leaked would have been over four or five days and that the overall figure was what I considered when I made my provisional decision.

I've also carefully considered all of the points raised, even if I don't address each of them here. I've focused on what I think are the key issues.

Mrs R requested compensation for her husband and child. This service doesn't generally have the power to award compensation to third parties. The compensation was awarded to Mrs R as the policyholder and took into account the impact on Mrs R because of the issues she said affected her husband and child.

In terms of British Gas's comments, I made my decision based on all the information it made available to this service, which should have included the whole business file. There was nothing in the information provided by British Gas that suggested to me there was a lack of co-operation from Mrs R and in response to my provisional decision British Gas didn't provide any additional evidence from its records that showed this was the case.

I think it's also important to look at what led to this complaint. There was a leak that I think was more likely than not caused by British Gas's engineer. This caused a range of damage to Mrs R's home. Ideally, Mrs R would be put back in the exact position she was in before the leak, but that isn't possible. So, our service's position is that the consumer needs to be returned as close to the position they were in before the claim, which means lasting repairs need to be carried out.

I considered the range of damage and looked at whether I thought it should be included in any settlement. For each of the items I've said British Gas needs to pay for, I considered what was reasonable to deal with each of the issues, including looking at things like how long was left to run on each passport and the cost of items.

In terms of replacing the kitchen, I've already addressed why I think British Gas should replace the whole kitchen. British Gas appears to be suggesting that it would expect Mrs R to install a second-hand kitchen, or for the costs to at least be based on the cost of one, for which British Gas would pay the full amount for some parts and a contribution for others, with Mrs R making up any difference in costs. But, looking at what happened in this case, I don't think it would be fair to settle the claim in this way or to expect Mrs R to contribute to

costs that, in my view, were the result of a mistake made by British Gas. I remain of the view that British Gas needs to pay for all of the items previously listed and at the amounts previously given in order to settle this complaint.

### **Putting things right**

In order to put things right, British Gas must pay for the replacement carpets, replacement passports, bathroom tiles and the cost of the labour, as well as the cost of materials to repair the kitchen walls and ceiling. It must also pay interest on each of those amounts. It must also pay for the cost of replacing the kitchen and £800 compensation for the distress and inconvenience caused to Mrs R.

### **My final decision**

For the reasons I've given above and in my provisional decision, my final decision is that the complaint is upheld. I require British Gas Insurance Limited to:

- Pay the following costs:
  - £1,689 for the replacement carpets
  - £171 for the replacement passports
  - £592.96 for the bathroom tiles and £1,619 for the cost of the labour
  - £240.90 for the cost of materials to repair the kitchen walls and ceiling
- For each of these payments, British Gas must pay 8% simple interest on them. This should be calculated from the date on which Mrs R made the payment to the date on which British Gas refunds her, subject to her providing evidence of this, with the exception of the kitchen materials, which should be calculated from 1 May 2020.
- If British Gas considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mrs R how much it's taken off. It should also give Mrs R a certificate showing this if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.
- Pay £12,356 for the cost of replacing the kitchen.
- Pay £800 compensation for the distress and inconvenience caused to Mrs R.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 15 October 2021.

Louise O'Sullivan  
**Ombudsman**