DRN-3264859

The complaint

Mr and Mrs A complain about British Gas Insurance Limited's handling of ongoing claims about their heating system under their home emergency policy.

What happened

Mr and Mrs A say that engineers visited to fix problems with their heating and hot water system on more than twenty occasions between September 2016 and January 2021. At the last visit in January 2021 they say work was carried out to replace a pump, add a second filter, correct a feed from the hot water cylinder and replace a leaking flow switch. They have experienced no more problems since then.

Mr and Mrs A believe the work carried out in January 2021 should have been carried out far sooner. If so, they think over four years of ongoing issues could have been avoided. They say engineers have repeatedly replaced parts and carried out work that was not needed, which has created more problems and taken more time to resolve.

Mr and Mrs A obtained a report from an independent engineer in December 2020. This identifies several issues with the system. The engineer says, "*In my professional opinion, there appears to have been a catalogue of incompetency's with regards to both the hot water and central heating systems*".

British Gas says there are issues with how the system was originally installed. This is why there have been ongoing problems. It says its engineer's "*don't go looking for a design fault*" where this isn't obvious, when maintaining existing equipment. It says its engineers repaired the issues identified, which often involved component failures and replacement of these parts.

The company says it incorrectly diagnosed that a power flush was needed. It says the problem was air in the system caused by a design fault. It's now refunded the charges for this work.

British Gas acknowledges some issues occurred when it installed a hot water cylinder. This meant a shower wasn't working for six weeks. Although it does explain that another shower was available for Mr and Mrs A to use. The company says four excess fees were charged in error, which it has refunded. It also accepts inconvenience has resulted due to the number of engineer visits that occurred. It offered £250 in compensation for the distress and inconvenience Mr and Mrs A experienced.

British Gas has suggested three options that it thinks will resolve the inherent problems with the design of the heating and hot water system. It says this work is not covered under its policy.

Mr and Mrs A thought the compensation offer was inadequate for the level of distress and inconvenience they had experienced for over four years. They asked our service to look into their concerns. Our investigator decided not to uphold their complaint. She thought it likely that the faults the engineers found were consistent with component failures, and that they

responded appropriately to fix those issues. She didn't think British Gas acted unfairly in dealing with the problems as they appeared.

Our investigator thought the refunds and compensation offered by British Gas was fair. Mr and Mrs A disagreed and asked that an ombudsman review their complaint.

It has been passed to me to decide.

I issued a provisional decision in November 2021 explaining that I was intending to uphold Mr and Mrs A's complaint. Here's what I said:

provisional findings

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 minded to uphold this complaint. Let me explain.

Mr and Mrs A have a HomeCare 4 policy with British Gas. This covers them for repairs to their boiler and its controls, central heating and plumbing. My remit is to consider whether the company acted reasonably when carrying out repairs with respect to the policy terms.

I have looked at what the policy terms say. The following are of relevance here:

"Definitions: repair(s)/repairing/repaired: - to fix your boiler, appliance or system following an individual fault or breakdown".

And

"Pre-existing faults:
Your products don't include cover for any faults or design faults that:
• were already there when your boiler, appliance or system was installed;
• existed when you first took out the product;
• we've told you about before and you haven't fixed, or, if the work has been completed by a third party, where work, in our opinion, has not been completed to a satisfactory standard;
• we couldn't reasonably have been expected to know about before, for example, faulty pipes that don't have the correct protection, or which are buried under concrete floors; or
• prevent access because a part of your system has been permanently built over."

Also:

"Making any improvements:

Your product only includes repairing or replacing your boiler, appliance or system when it stops working properly – it doesn't include any improvements or upgrades, for example: replacing smoke alarms that are past their recommended replacement date or expiry date, replacing working radiators, swapping standard radiator valves for thermostatic ones or replacing electrical cables and fuseboards that still work.
Where we've told you that an improvement is necessary, we may not continue to make repairs on that part of your boiler, appliance or system unless the work has been carried out."

Over twenty engineer visits took place between September 2016 and January 2021. I have reviewed the engineer records, in conjunction with Mr and Mrs A's information to understand more about the repairs that were undertaken.

Various problems were identified with the heating system over the years, including issues with: electrodes, a pump flow switch, filters, valves, the condensate trap, air vent, zone valve, sludge in system and the hot water cylinder. Again, from the records, various causes were suspected including blockages in the pipes, blocked filters, a problem with a soakaway, incorrectly fitted components, air in the system, a leak in the under-floor heating pipes, a faulty hot water coil amongst others.

In considering whether the action taken was appropriate I have, in part, relied on the expert opinion provided by British Gas and Mr and Mrs A's engineer.

Mr and Mrs A's engineer says:

"The hot water cylinder is installed the wrong way round. It is common practice to be able to see the following to allow ease of maintenance
• Zone valve
• Secondary flow and return
• Cylinder stat
The 22mm shower feed on the cylinder has been capped off. The hot shower feed has been teed off of the top of the cylinder in 15mm copper with NO Surrey flange installed. This is allowing air bubbles to enter the pump which is impeding the flow of water to the shower. The correct installation would have been to use the shower feed supplied on the cylinder which is it's purpose.(The shower pump is in perfect working order).
The original 22mm cold feed to the shower pump has been capped off and a new 15mm polypipe has been installed, I'm really confused as to why this has happened."

And:

"Central Heating
The central heating pump has been installed on the return to the boiler. In this installation the vent pipework should be a minimum height of 1.33mtr in the flow. As this hasn't been installed correctly, this is causing 'pump over'. When this occurs water is forced through the open safety vent pipe because of the extra pressure created. This will cause oxygenation of the system water and rapidly leads to severe corrosion and system breakdown.

The Fernox TF1 Omega filter has been installed on the flow from the boiler and should be installed on the return to the boiler. The boiler is not being protected as sludge is passing through the boiler prior to being filtered. It is imperative that this is corrected.

In my professional opinion, there appears to have been a catalogue of incompetency's with regards to both the hot water and central heating systems."

We asked British Gas to comment on the independent report. It provided a response to each of the points made by Mr and Mrs A's engineer, as below:
"We only replaced the cylinder in the same orientation that the old cylinder was fitted to [sic] that the flow and returns were at the back. This was confirmed as the pipes were painted and not new

This has been rectified by Jamie Meade and the shower piped to the draw off which is fitted on the side of the cylinder. However the old cylinder wasn't piped onto a surrey flange or cylinder draw off. It was piped to the main hot water draw off

I don't believe that Carl did this when he replaced the cylinder as he doesn't carry poly pipe only copper pipe and when I spoke to Carl about this he said that he put the shower connection back to as it was and didn't alter the poly pipe

We didn't install the boiler or upgrade it to a fully pumped system this is a design fault from the installer. The engineers don't go looking for a design fault when maintain existing equipment if it isn't obvious. The breakdowns that we were called to was boiler locking out to which you would suspect component failure and these were roughly 6 months apart

Yes the filter was installed on the flow and can be however best practice is for it to be on the return this has been rectified as a new filter has been fitted on the return and the old one left in place

Yes I agree with this but this has come about from the origional [sic] installation not the maintanance [sic] of it".

I have thought about the problems identified by the independent engineer, and the repairs British Gas carried out.

My understanding is the replacement hot water cylinder was installed using the existing arrangement of pipework. This is criticised in the report as a smaller diameter feed pipe was used rather than the available 22mm feed. It says this impeded the flow of water to the shower. The report also points to a "surrey flange" not being used. Again, British Gas says when it fitted the new cylinder, it did so within the existing installation, and there was no surrey flange in place. It has since rectified these issues.

British Gas provides a similar response regarding concerns about the central heating pump and vent pipework installation. It has replaced the pump. However, it maintains it isn't responsible for the design of the system, which it points to as the underlying cause of the problem.

Regarding the filter that was installed by British Gas in the "flow" as opposed to the "return", the company has provided the manufacturer's specification. This explains the filter is used to remove contaminants from central heating system water and says it can be fitted in both flow directions. Albeit British Gas also says best practice is to install it in the return flow. I note another filter was subsequently installed in the return flow to address this point.

In considering this, it does appear there were issues that could have been noticed and addressed by British Gas earlier. Specifically, the wrong feed used for the shower when the cylinder was replaced and the lack of an appropriate flange. In addition to the fitment of a filter, which the company concedes doesn't align with a best practice approach.

British Gas sent an email to Mr and Mrs A in January 2021. This explains how the system wasn't set up correctly when it was converted from a gravity fed system to a fully pumped system. Specifically, that the open vent and cold feed are situated in the airing cupboard. For a fully pumped system it says they should be installed behind the pump, which is in the workshop. It says this can create corrosion/sludge in the heating system. As mentioned earlier it sets out three options to overcome this problem.

The independent report also raised concerns with the positioning of the central heating pump and the vent pipework. It says this incorrect installation will result in oxygenation of the system water, resulting in rapid and severe corrosion and system breakdown.

Mr and Mrs A think the suggestions from British Gas for further work are unnecessary as the system is now working. They believe the work to replace the central heating pump, adding the second filter, replacing a leaking flow switch on the boiler and correcting the shower feed from the cylinder, have resolved the problem. And this should have happened much sooner.

I acknowledge their view that damage was caused by the filter being in the wrong pipe and debris entering the system. They say when British Gas fitted a dirt separation filter, this was on the wrong pipe so continued to allow debris in the system. They also point to the system working without a problem from 2011 until 2017 – albeit I note several engineer visits did take place earlier in 2016.

Having considered all of this, the expert opinions seem to agree that there are design flaws with the system – that if left unresolved will likely cause problems in the near future. It seems probable a design fault was the reason so many repairs were necessary. Replacing the pump and adding the filter, along with the other repairs discussed, has resulted in a working system. But it's possible problems will manifest again, if action isn't taken to ensure the system is set up correctly.

That said, British Gas engineers visited Mr and Mrs A's home on numerous occasions over a significant period – carrying out many different repairs to various different areas of the heating system. I think it's reasonable to expect the company could have given thought to why so many call outs were taking place and employ a different approach to simply replacing components as and when they failed.

From the information discussed above, I think it's likely that had this happened a working reliable system could have been achieved sooner, or at the least Mr and Mrs A would be aware of what the problem was – even if the work wasn't covered under their policy.

I accept the policy is intended to repair an existing installation and not improve what is already in place. However, in these circumstances I think more could have been done to identify the problem and explain to Mr and Mrs A what was needed, earlier.

It's fair that British Gas refunded the cost of the wrongly diagnosed power flush, and the incorrectly charged excess payments. I also think it was reasonable to refund the cost of the independent report and for the third-party charges for repairing the power shower. For the distress and inconvenience experienced I think compensation was also appropriate. But I think a higher amount is indicated in these circumstances.

Mr and Mrs A spent many hours on the phone to British Gas dealing with these problems and time spent arranging access for engineers. They struggled with an unreliable hot water and heating system over four and a half years. I note Mrs A describes having to bleed radiators early every morning to try and get the boiler to fire up. And that this whole episode has been very distressing for her and her family, when it needn't have been.

I don't doubt the impact the problems described have had in terms of the inconvenience and distress caused by the lack of a reliable heating system. Some inconvenience is to be expected when things go wrong. But as discussed above, these problems continued for several years and I think they needn't have.

Because of this I think a compensation payment of £500 is more appropriate to acknowledge the distress and inconvenience experienced.

I said I was intending to uphold this complaint and require British Gas Insurance Limited to:

- pay Mr and Mrs A compensation of £500, in total, for the distress and inconvenience caused.

I asked both parties to send me any further comments and information they might want me to consider before I reached a final decision.

We didn't receive further comments or information from Mr and Mrs A or from British Gas.

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.

Neither party submitted further comments or information for me to consider, so my final decision is the same as my provisional decision and for the same reasons.

In summary I thought it reasonable that British Gas could've taken a different approach to consider why it was replacing so many components in Mr and Mrs A's heating system. Had it done so the underlying issue could've been brought to their attention sooner, allowing them to take appropriate action.

My final decision

For the reasons I've explained above, and in my provisional decision, I uphold Mr and Mrs A's complaint. British Gas Insurance Limited must now:

- pay Mr and Mrs A compensation of £500, in total, for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A and Mr A to accept or reject my decision before 16 February 2022.

Mike Waldron
Ombudsman