

## **The complaint**

Mrs V and Mr W complain about British Gas Insurance Limited (BGI) and their failure to repair a leak connected to their central heating system in March 2021. Mrs V and Mr W are unhappy that BGI are now refusing to pay for the repairs needed to fix a hole in their ceiling.

Mrs V has acted as the main representative during the claim and complaint process. So, for ease of reference, I will refer to any comments made, and actions taken by either Mrs V or Mr W as “Mrs V” throughout the decision.

## **What happened**

Mrs V held an insurance policy designed to cover their boiler and central heating system which was underwritten by BGI.

In late 2020, Mrs V noticed a leak coming from the area her boiler was located, which was causing a stain on the ceiling below. Mrs V says she initially made BGI aware in November 2020, but no repair was completed at this time. So, she contacted BGI again in March 2021, and BGI agreed to send an engineer to the property.

The engineer attended and was unable to identify a leak from the boiler. So, BGI’s attending engineer advised a plumber would be required. Mrs V says she was under the impression BGI would be arranging for a plumber to attend, but she heard nothing further. So, some weeks later, her husband cut a hole in the ceiling in an attempt to identify the leak himself.

No further action was taken to repair the leak until Mrs V reported the leak again to BGI in March 2022. And at some point during the following months, the leak was located and repaired. But Mrs V was unhappy that it had taken so long to repair the leak. And due to this delay, Mrs V felt additional damage had been caused to her ceiling, including the need for her husband to make access in the ceiling himself. So, Mrs V wanted BGI to cover the costs of the repairs needed to the ceiling.

BGI responded to the complaint and didn’t uphold it. They thought they acted fairly when not repairing the leak in March 2021, as they thought the leak was likely caused due to sludge being present in the central heating system. They explained any damage caused by sludge, where Mrs V had been told previously to carry out a power flush, wouldn’t be covered under the policy. So, as they didn’t think they had caused the leak and it was instead linked to the sludge, they didn’t think they’d done anything wrong and so, didn’t think they needed to do anything more. Mrs V remained unhappy with this response, so she referred her complaint to us.

Our investigator looked into the complaint and didn’t uphold it, providing two separate views explaining why. They thought BGI had acted fairly in March 2021, as they were satisfied a power flush had been directed and not carried out. And despite some confusion regarding when the pipe was repaired, and by whom, our investigator didn’t think they were able to say BGI were entirely responsible for the damage to the ceiling. So, they didn’t think BGI needed to do anything more.

Mrs V didn't agree, providing extensive comments detailing why. These included, and are not limited to, her belief the power flush wasn't required as when she arranged for this to be done in the summer of 2022, the completing engineer explained the water was clear and not black as he would've expected. So, she didn't think BGI were fair when relying on this exclusion. Mrs V maintained her belief that BGI had failed to arrange for a repair to the leak in 2021 unfairly, as they stated she didn't have plumbing cover when the pipe was included within the scope of the boiler policy. And she felt if the repair had been completed sooner, the damage to her ceiling could've been prevented. As Mrs V didn't agree, the complaint has been passed to me for a decision.

### **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'm not upholding the complaint for broadly the same reasons as the investigator. I've focused my comments on what I think is relevant. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

First, I want to recognise the impact this complaint has had on Mrs V. I've been provided with photos that show the damage to the ceiling and I've no doubt it would be both uncomfortable and inconvenient living with it on a day-to-day basis.

And as Mrs V's husband created the hole following BGI's unsuccessful attendance to repair the leak, I can understand why Mrs V would feel as though the hole and the other associated damage was the fault of BGI and so, why BGI should be responsible for its repair.

But for me to say BGI should repair the damage to the ceiling or cover the costs of this repair if Mrs V arranged this separately, I first need to be satisfied BGI have done something wrong. So, I'd need to be satisfied that BGI failed to act in line with the terms of the policy Mrs V held when processing the claims relating to the leak. And, if I think they did fail to act within these terms, or that BGI acted unfairly in some other way, I need to be satisfied the damage caused to the ceiling was solely the fault, and responsibility of BGI. And in this situation, I don't think that's the case.

I think it's very important for me to make clear that, due to the time that has passed since BGI's attendance in 2021, it's been difficult for me to obtain a complete and clear understanding of what has happened, and when. BGI have confirmed the attending engineer no longer works for them, so they've been unable to obtain the engineer's recollections and because of this, I've only the attendance notes to consider.

And I recognise that, while I've no doubt Mrs V has attempted to provide her most accurate recollection of events, due to the time that has passed Mrs V has been unable to confirm exact dates and what happened at what time. For example, Mrs V has stated BGI attended her property to assess the leak in late 2020, but I've seen no evidence to show this attendance occurred. And I also recognise there has been clear confusion surrounding when the leak was fixed, and by whom. Although I do note it appears the leak has been resolved at some point during 2022.

So, due to the lack of clarity and confusion in parts, my decision is centred around what I think is most likely to have happened, based on the limited information I have and based on the balance of probabilities. This may mean that both BGI and Mrs V are unhappy with certain assumptions I've made but I've made these to ensure the decision I've reached is a fair one, to the best of my ability.

BGI have stated the leak wasn't repaired in March 2021, as the leak was most likely caused due to sludge build up in the heating system. Whereas Mrs V says she was told a plumber was needed and that BGI would arrange for a plumber to attend, but this didn't happen.

As I've explained above, I can't say for certain what was said on the attendance in March 2021. But what I do know is the leak wasn't fixed at that time. I can see from the attendance notes a plumber was discussed, but I can't see that BGI agreed they would arrange for this attendance.

BGI say they wouldn't have arranged for a plumber to attend, as they felt the leak was likely caused due to sludge in the system. I've seen the terms of Mrs V's policy that explains under the heading "*what is not covered*" that BGI wouldn't repair "*any damage caused by limescale, sludge and other debris, if we've told you before that you need to carry out repairs, improvements or a British Gas power flush, or a similar process, but you haven't done so*".

And I've seen in the attendance notes that Mrs V was told a power flush was needed due to sludge on attendances in both 2019 and 2020. And I've seen no evidence to suggest Mrs V arranged for this power flush until the summer of 2022, after the leak had appeared.

So, I do think BGI were able to decline a claim for any repairs, such as the repair needed to fix the leak, if BGI felt the leak was likely caused by sludge in the system. BGI have provided a detailed technical explanation of why they think the pressure caused by the sludge would've caused the pipe to crack, considering the increased risk of corrosion the presence of sludge brings. I'm not an expert on heating systems, and it's not my role to decide whether or not I agree with BGI's opinion. But I do think the explanation BGI have provided seems both plausible and reasonable.

I appreciate Mrs V doesn't agree, and she's provided her own comments explaining why. I also recognise the comments she's made regarding the engineer who completed a power flush in 2022, and the colour of the water during the flush. But Mrs V hasn't provided me with any evidence relating to this power flush, such as a report from the attending engineer. So, without this, I think it's reasonable for me to rely on the technical explanation provided by BGI, as they have greater expertise in the area.

Because of this, I don't think I'm able to say BGI acted unfairly when not repairing the leak in March 2021, based on the sludge exclusion included within the terms of the policy.

And even if I decided differently, I don't think this means it would automatically follow that BGI should repair, or cover the costs of the repair, for the damage to the ceiling. Mrs V has accepted the access hole was made by her husband. While I appreciate why Mrs V and her husband felt this was necessary, I think it was their own decision to damage the ceiling to make access.

I can see within the terms of the policy Mrs V held, it explains that BGI responsibilities included "*making access to your appliance system, and then repairing any damage we may cause in doing so*". Crucially, this explains BGI would repair any damage they caused when making access. And BGI didn't make access, Mrs V's husband did. So, I don't think BGI are obligated to cover the repair to the access hole.

I also recognise that Mrs V says she was first aware of the leak in November 2020. But I've seen no evidence to show she sought an attendance from BGI until March 2021. And then, when a plumber wasn't arranged by BGI as Mrs V says she thought would happen, I've seen nothing to suggest Mrs V arranged for her own plumber to attend to fix the leak until she made BGI aware of this again in March 2022. And I note BGI attended to fix other heating

issues in 2021, while Mrs V also arranged for a new boiler to be fitted entirely during this time.

So, I think there were times where Mrs V was aware a leak was present but didn't take steps to ensure the leak was fixed. And I think it's reasonable for me to assume during these times, the damage to Mrs V's ceiling worsened. While I appreciate Mrs V assumed BGI would send a plumber, when this didn't happen I would've expected Mrs V to chase this with BGI. But I can't see that she did. So, I don't think I can say for certain a plumber was ever promised by BGI.

So, I don't think I can fairly say that all of the damage caused to Mrs V's ceiling was caused by mistakes BGI made. And because of this, I don't think I can fairly say that BGI should pay to repair this damage, as this would place Mrs V in a position of betterment as she would receive repairs to damage that I don't think BGI were responsible for under the terms of the policy.

Because of all the points I've discussed above, I don't think it would be fair for me to say BGI should do anything more on this occasion.

I understand this isn't the outcome Mrs V was hoping for. And I want to recognise some of BGI's actions has likely caused confusion and made the situation for Mrs V worse. I can see they have since fixed the leak, and BGI have confirmed this was done in error by an engineer who hadn't looked at the previous notes.

I think this directly contradicted the initial advice BGI provided and so, I do think this has led Mrs V to believe BGI have done something wrong. But crucially, in this situation, I think BGI's mistake in repairing the leak has placed Mrs V in an advantageous position, as the leak has been repaired at no cost to herself. And I don't think the actions BGI took after March 2021 impact the fact that, at the time, the leak was deemed to be as a result of sludge in the system. And that Mrs V had been made aware of the sludge, and the need for a power flush, before this date. So, I don't think BGI need to take any further action.

### **My final decision**

For the reasons outlined above, I don't uphold Mrs V and Mr W's complaint about British Gas Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs V and Mr W to accept or reject my decision before 12 May 2023.

Josh Haskey  
**Ombudsman**