

The complaint

Mr and Mrs P complained that British Gas Insurance Limited ("British Gas") failed to repair a leak effectively under their Home Emergency policy which led to further damage to their property. Mr and Mrs P had representation during the complaint, but for ease and simplicity, I'll only refer to Mr and Mrs P.

What happened

Mr and Mrs P identified a leak at their property so made a claim to British Gas under their policy. Mr and Mrs P said despite three visits from British Gas, no-one took action to stop the water at the mains. Mr and Mrs P said British Gas' incompetence led to further and more significant damage to the downstairs of their property. Mr and Mrs P said they paid £180 to get a private plumber to stop the leak and the repairs from the leak would cost around £400. They want this money reimbursed and say they've been distressed and inconvenienced.

British Gas said it attended three times, it said:

- Day 1 visit – *"applied putty to try to repair the leak. Unfortunately, this failed and we returned the next day"*.
- Day 2 visit – *"advised Mr and Mrs P of the lead pipe and ordered the part and turned off the water to stop the leak"*.
- Day 3 visit – *"the engineer noted that the water was turned off as a temporary measure until the part arrived"*.

British Gas said Mr and Mrs P then sourced their own plumber to carry out the repair as they were unhappy with waiting for the part. British Gas said it would pay for the repair if Mr and Mrs P provided a receipt. As a receipt wasn't provided the costs weren't reimbursed. However, British Gas said the damage was caused by the initial fault and not by its engineers, so didn't think it was responsible for this cost. British Gas did pay £100 compensation for distress and inconvenience.

Our investigator decided to uphold the complaint. She said there was evidence the leak continued after British Gas' visit, so said British Gas should pay the £180 repair costs less £60 policy excess. However, she said it was likely decoration would've been needed because of the initial leak, so didn't think further reimbursement was appropriate as British Gas hadn't caused further damage. She thought £100 compensation was fair. Mr and Mrs P disagreed, so the case has been referred to an ombudsman.

My provisional decision

I issued a provisional decision on this on 20 April 2023. I said:

"Usually when a leak occurs, I'd expect the Home Emergency policy to cover the fixing of the leak and the Home Insurance (Buildings and Contents) to cover the repair of any damage. However, Mr and Mrs P have said they think British Gas' delays led to further and significant damage."

Mr and Mrs P don't want to claim on their home insurance as they are worried about the impact this would have on their claim history and cost of future premiums. They think British Gas' poor service led to additional damage.

British Gas has accepted our investigator's view to reimburse the cost of the private plumber less the excess. As this is the most I could recommend here, I won't consider these costs any further – I think this is a fair offer.

I have considered whether I think British Gas should pay the costs of repairing the damage which Mr and Mrs P said has cost them around £400. British Gas said it stopped the leak as soon as it was able to and turned the mains water off. It has provided records from its engineers to support this statement.

I don't find these records persuasive. I can see conflicting information from British Gas on whether the first visit was successful – one document shows there was a temporary repair carried out, on another it said the engineer couldn't gain access to the property. The total visit time over the three visits recorded on the engineers' records is nearly 8 hours – this doesn't seem consistent with the work that was carried out which would've been much shorter in duration.

I think the evidence Mr and Mrs P has provided (time stamped videos and photographs) demonstrate that it's likely the leak continued beyond any British Gas intervention. It's likely the initial leak caused some damage, but if this wasn't dealt with for 48 hours as Mr and Mrs P have indicated I think the damage would've been significantly more. So, I think it's fair for British Gas to repair the damage their delays / failure to fix the leak caused. Therefore, I intend to uphold this complaint. I intend British Gas to repair the damage caused by the leak or if it's already been repaired, to reimburse Mr and Mrs P the cost of that repair on the production of valid receipts. Alternatively, British Gas can cash settle for what the work will cost based upon a reasonable quote provided by Mr and Mrs P.

British Gas has compensated Mr and Mrs P £100 already. However, I don't think this reflects the leak continued and further damage was caused. I don't think it reflects Mr and Mrs P's vulnerable circumstances. I think the distress this would've caused them would've been greater. I think the leak would've worried them, so I intend to award a further £100 compensation for this”.

Responses to my provisional decision

Mr and Mrs P accepted my provisional decision. They said they hadn't received any compensation money from British Gas so far.

British Gas reiterated some of the information contained on the engineer's notes. British Gas said “even though the internal stopcock or isolation valve is turned off, it could still weep if it's letting by. However, the engineer who attended on the 29 May 2022 did mention that he stopped it again to temporarily stop the leak until the parts are delivered. The only solution would be to completely turn off the mains, but it means there would be no water whatsoever until the part is delivered and the engineer returns to complete the work. Please note that in some cases, the mains supply feeds different properties and not just one, so all properties would not have water. In this case, the engineer turned off the water internally as there was an internal valve that could be shut”.

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.

I haven't received any further information that has led me to think differently to the reasoning I've already set out in my provisional decision. I think the evidence shows its more likely British Gas didn't fix the leak successfully and this led to a greater level of damage than otherwise would've been the case. So, I still uphold this complaint.

My final decision

My final decision is I uphold this complaint. I require British Gas Insurance Limited to pay Mr and Mrs P:

- £120 for their private plumber (£180 less £60 excess)
- The costs of repairing the damage caused (c£400) on the production of valid receipts or repair the damage themselves
- £100* additional compensation – for distress and inconvenience (plus the £100* already offered if it's still not been paid).

*British Gas Insurance Limited must pay the compensation within 28 days of the date on which we tell it that Mr and Mrs P 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 Mrs P and Mr P to accept or reject my decision before 22 May 2023.

Pete Averill
Ombudsman