

The complaint

Mr R and Dr W have complained about the service provided by British Gas Insurance Limited in relation to a claim made under their home emergency insurance policy.

What happened

Dr W held a boiler and central heating insurance policy with British Gas since December 2016. The policy included an annual service of the boiler.

In January 2017, during the first annual service of the boiler the pressure was low. After this Mr R and Dr W say they noticed that the boiler continued to lose pressure and they had to keep topping it up. Mr R and Dr W say that British Gas engineers attended 20 times between January 2017 and November 2021 but could not find the cause of the loss of pressure.

There were further visits in February 2017, when the expansion vessel was refilled and an issue with hot water. On March 2017, at the fifth visit, British Gas said it was likely there was a leak in the system but could not find any leak. British Gas added sealant to the system. Mr R and Dr W say the boiler continued to lose pressure and they had to top it up but they did not call British Gas out again until March 2018. British Gas attended again and checked the heat exchanger and condensing trap for leaks but didn't find a leak. It added sealant to the system again. There were some other attendances in 2018 but they do not appear to have been specifically about the boiler pressure or any possible leak, although I note Mr R and Dr W say they talked about the ongoing pressure issue with every engineer that attended. In October 2018, British Gas attended and added sealant again.

There were no further attendances from then until November 2019. Mr R and Dr W reported that they could smell of gas and the boiler was vibrating and making a noise. They were extremely concerned, as it sounded like it was going to explode. When Dr W phoned British Gas, it offered an appointment a few days later. That call was cut off and Dr W called back and spoke to another representative who referred the matter to the gas supplier who came out the same day.

The gas supplier recommended the boiler be fully serviced and turned it off. British Gas serviced the boiler on 1 November 2019 and said it was fine. A few days later, Dr W smelt gas again and the gas supplier came back out. The gas supplier detected a gas leak and switched off the supply. The next day British Gas replaced the burner gasket and said the boiler had passed all safety tests. Mr R and Dr W say this was after the repair however.

They are very unhappy and say that the engineer failed to check the burner gasket during the service visit and so failed to detect a dangerous carbon monoxide leak.

As far as I can see, there were no further visits until January 2021, when the boiler was serviced and sealant was added again, for the fourth time. However, the pressure issues continued and in April 2021, British Gas arranged for leak detection work using thermal imaging. As a result of this, British Gas said they thought the leak was under the en suite bathroom floor. Some floor tiles were taken up and some pipework under concrete was exposed, however, while the area was very damp it was not the site of the leak.

I understand there were several more visits in May and June 2021 when British Gas said the boiler was in good working order. By June 2021, Mr R and Dr W say they were having to refill the boiler every day. They employed their own leak detection company that detected trace gas in the boiler flue and deposits in the heat exchanger, which had failed. They also concluded that the water damage to the property was caused by the failure of a toilet fill valve at the back of the cistern in the main bathroom.

As a result of this, British Gas said it would replace the heat exchanger. Mr R and Dr W wanted the boiler replaced given the problems but British Gas refused. When the engineer replaced the heat exchanger he found a crack in the gas supply pipe, which had not been spotted by any of the previous engineers.

Because the cause of the reducing pressure had still not been found, Mr R and Dr W contacted their home insurance provider who sent a specialist leak detection company to find the leak. Mr R and Dr W's home insurer found that the entire property was extremely damp, with moisture levels well above the safe limit. Mr R and Dr W were advised to move out in October 2021 and they did not move back until around a year later. In December 2021, they found that there were five different leaks in the central heating system and the repairs needed to the property were significant. Mr R and Dr W's home insurer paid for them to live in alternative accommodation while the repairs were carried out; this included replacing the entire pipework system.

In September 2022, after the rest of the central heating system had been replaced, the boiler was turned on. Mr R and Dr W say that the heat exchanger failed again shortly afterwards. They say the boiler had not been used for most of the time since British Gas had replaced the heat exchanger, so it stands to reason that either the part was faulty or it was not fitted correctly. Either way, Mr R and Dr W says British Gas should take responsibility for this. They decided to replace the boiler, given all the previous problems.

Mr R and Dr W are very unhappy with the handling of the claim by British Gas. They have made a number of points in support of their complaint. I have considered everything they have said but have summarised the main points below:

- British Gas put leak sealant in the system four times, even though this masks the problem.
- British Gas failed to advise them to pursue other methods of leak detection, even if more advanced methods were not covered under the policy with British Gas.
- The contractor that damaged the en suite bathroom failed to find a leak in the cistern in another bathroom which was the cause of some of the water damage.
- The en suite was new and has been left damaged unnecessarily.
- British Gas failed to check the gas burner gasket emissions in November 2019, which could have led to a life-threatening situation. It has been dishonest about the boiler passing safety checks, as this was only after the gas burner had been replaced. The gas supplier turned off the gas supply, so there was a leak and British Gas is dishonest in saying there wasn't.
- Dr W says she became pregnant with twins shortly after moving into the alternative accommodation. The stress of living in temporary accommodation, dealing with the refurbishment and British Gas caused immense stress and they believe contributed to difficulties with the pregnancy (which were life threatening and stressful) and premature delivery.
- The accommodation was a second floor flat with no lift, which caused Dr W significant problems with newborn twins delivered by caesarean.

- British Gas says there were long periods with no reported problems but this fails to recognize the fact the sealant would have been concealing the problem and the summer periods when the central heating would not have been operating.
- The loss of pressure was discussed at every attendance and if the engineers didn't record that then it should not go against them.
- They felt they had no choice but to pay for a new boiler before moving back into the property with their babies (at a cost of £2,320 including installation).
- The home insurance claim amounted to around £150,000 which means their premiums will go up.
- They had planned to sell the property and move to a larger home but this was delayed.

Mr R and Dr W consider that this could all have been avoided if British Gas had done more to find the leaks in the period which started in early 2017. They want the following from British Gas:

- Refund of premiums paid since reporting the leak, £1,500.
- The cost of the remedial work to the en suite, £1,800.
- Cost of the leak detection surveys, £880.
- Cost of the new boiler £2,320.
- Compensation for the destruction of their property and alternative accommodation (£97,000 and £54,000 respectively).
- Compensation for distress and inconvenience, including time for appointments etc, £5,000.
- Compensation for harm to health, £5,000.
- Compensation for future increased insurance premiums, unknown.

British Gas says the policy was set up on 15 December 2016 and it attended to a fault with the heating system two days later. British Gas says that from the outset there were problems with the boiler and it was not the cause of these issues or the leaks. British Gas says that, as per the policy terms and conditions, it attended whenever a problem was reported and carried out repairs and replaced part whenever necessary. It says it was unable to find the leaks but it did not cause them.

British Gas therefore disputes that it is responsible for the damage to Mr R and Dr W's property or any of the consequences of that, including having to go to alternative accommodation. It also says it is not responsible for the cost of the new boiler or the cost of making good the en suite bathroom, as the policy only covers the cost of making access. It did, however, offer to fill the hole and reconnect the radiator if it was still needed. British Gas also said that the gas burner gasket was replaced as a precaution only, as its engineer had not detected any gas leak in November 2019. However, it accepted that he should have checked the gas burner emissions previously and failed to do so. British Gas offered £120 compensation for this.

British Gas also offered £220 compensation for the delays and repeat visits during the claim (so a total of £340 compensation). I can also see that it offered £30 for not reporting the gas leak to the gas supplier immediately.

One of our Investigators looked into the matter. He recommended that British Gas pay an additional £750 compensation for the trouble caused by it not finding the leak sooner but he did not think that British Gas was responsible for any of the leaks, so did not think it needed to compensate Mr R and Dr W for the consequences of the leaks, including having to move out of the property.

Mr R and Dr W did not accept the Investigator's assessment, so the matter was passed to me. In September 2023, I issued a provisional decision on the matter. I determined that the complaint should be upheld in part. The main part of my provisional decision is set out below:

"Leak detection

British Gas did not cause the leaks in the central heating system but it is contracted to deal with issues such as this.

British Gas was aware the heating system had needed topping up when it attended in early 2017. This could have been for a number of reasons and I do not think British Gas reasonably should have done anything differently in January and February 2017. In March 2017, British Gas said it was likely there was a leak in the system but could not find any leak and added sealant to the system. I do not think this was an unreasonable action to take either, to see if it resolved the issue. Mr R and Dr W say the boiler continued to lose pressure and they had to top it up but they did not call British Gas out again until almost a year later March 2018. British Gas attended, checked for leaks and again added sealant.

Again I have not seen any convincing evidence this was an unreasonable action at that point either.

In September 2018 British Gas carried out the annual service. British Gas says there was no report of ongoing pressure issues or leaks. However, around two weeks later British Gas went back out and did some work, including adding sealant again. Its records say *"add leak sealer into system at cons request as had lots of pressure loss probs."*

It seems to me that by this stage, it might have warranted further investigations. However, I also note that there was again no further contact about the loss of pressure until early 2021, 15 months later. So as far as British Gas was aware the sealant had worked and there was no ongoing leak.

There were a number of visits during this period but there is no convincing evidence that Mr R and Dr W reported serious ongoing issues with the boiler pressure dropping, such that the use of sealant was not appropriate. Mr R and Dr W say the use of sealant would have masked the problem but I have not seen any independent convincing evidence that it was unreasonable to use it. Mr R and Dr W also say that the periods between call outs included the summer when the central heating was not being used. However, they would still presumably have been using the boiler to get hot water and even allowing for say four or five summer months, there were considerable gaps between any reports to British Gas.

I am not therefore persuaded that British Gas's actions were unreasonable in this period (2017 to early 2021) with regard to the leak.

In early 2021, it seems the leaks got worse and Mr R and Dr W says they were having to top up the boiler more often.

British Gas did appoint contractors to try and find the leak in April 2021. They took up part of the floor in the en suite bathroom but didn't find the leak. There were several attendances in May and June 2021 but no other leak detection specialists were used or advised.

Mr R and Dr W obtained their own leak detection report, which did find a leak in the cistern in the main bathroom, which was the cause of some of the damage but it was not until further investigations were done by the home insurer that all the leaks were found.

I do think that British Gas should have done more from early 2021 onwards to try and find the leaks. By then, it would have been clear that this was an issue that had been going on for some considerable time and while the leaks were clearly hard to locate, I think it should have done more.

I have to therefore consider what difference it would have made if British Gas had done what I think it should have done from early 2021.

It is impossible to be certain but the leaks could have been found a few months sooner than they were; and it seems to me that Mr R and Dr W would not have had to incur the cost of their own leak detection report.

If the leaks had been found a few months sooner than they were, then the damage to the property might not have been as extensive as it was.

I note that Mr R and Dr W obtained a survey which also identifies that there is no damp proof course in the property and rising damp *“caused by a plumbing leak in central part of the flat (bathroom) and effects of leaking rainwater goods to the rear of the property.”*

This indicates to me that the damage was made worse by the absence of a damp proof course and there was also some water ingress from outside, although most of the water damage was caused by the internal leaks.

Given this, it is difficult for me to conclude that all the water damage to the property was entirely due to British Gas's failure to find the leaks within a reasonable time. It seems to me likely that the home insurance claim would have still been necessary, as the water leaks had been present for some time and would still have taken some time to find.

As I think a home insurance claim would have been required anyway, I do not think that British Gas is responsible for all the consequences of having to make a home insurance claim including, the trouble caused having to live in alternative accommodation and potentially increased premiums.

I do think that British Gas should reimburse the cost of Mr R and Dr W's own leak detection report and I do think some compensation is warranted for the failure to do more to find the leaks in 2021. I will address this further below.

Gas leak

On 28 October 2019, Dr W contacted British Gas because she could smell gas in the boiler cupboard. British Gas initially suggested an appointment a few days later but after a second call, referred it to the gas supplier. The gas supplier recommended a full service, which was done on 1 November 2019. However, a few days later Dr W smelt gas again.

The gas supplier's report dated 4 November 2019 says *“CHB [central heating boiler] is faultily letting out small trace of CO - gas - whilst making noise! Referred to ...*

[British Gas] ! *Meter outlet disconnected*". The gas supplier therefore detected a gas leak, which small or not, required the gas to be disconnected.

I am therefore satisfied that this leak was likely present on 1 November 2019 when British Gas serviced the boiler and that it should have also been able to detect it. British Gas has also subsequently accepted that the engineer should have checked the gas burner gasket when servicing the boiler but didn't do so. This part was replaced on 5 November 2019 and appears to have resolved the issue.

I can see why this would have caused a great deal of concern to Mr R and Dr W. British Gas did not cause the gas leak and that would have happened anyway it seems to me. However, British Gas's response to it was not good enough and it should have picked this up on 1 November 2019 during the service. I also think the service should have been done sooner than it was, given they could not use the boiler safely. As a result, Mr R and Dr W were without the use of the boiler for a few days and had to accommodate and arrange two further visits to resolve the gasket issue.

I do not therefore think the £120 compensation British Gas offered for this is enough. I think the compensation for this issue should be increased to £250.

En suite repairs

The leak detection report that British Gas obtained gave reason to think the leak might be under the floor in the en suite. It was not there but I have not seen any persuasive evidence that this was not a reasonable investigation to make.

The policy provides the following cover in relation to finding leaks:

"Getting access and making good

In addition to the cost of parts and labour, our insurance products and our non-insurance service and repair warranty products cover up to £1,000 including VAT for getting access and making good but this does not apply to the boiler which should be readily accessible for inspection and maintenance in accordance with the boiler's manufacturing guidelines.

We won't be responsible for repairing any pre-existing damage, nor will we replace or restore the original surface or coverings, for example, tiles, floor coverings, decoration, grass or plants."

The damage caused to the en suite floor did not identify the leak; they did find water puddling under the tiles and damp there but the feed to the towel rail (which is what they thought was leaking) was sound. Having considered everything, I am not persuaded that this was an unreasonable investigation to undertake. The policy does not cover replacing the tiles, so I do not think British Gas is responsible for the cost of this. It did offer to fill the hole it made and reconnect the radiator. I think this is reasonable.

Heat exchanger and new boiler

Mr R and Dr W say that British Gas should also pay for the cost of the new boiler, as this was required due to the heat exchanger, which British Gas installed, failing.

I have not seen any independent evidence about what happened to the boiler in September 2022. Mr R and Dr W say it was because the heat exchanger failed and it is self-evident that this must have been due to faulty workmanship or a faulty part. I have seen no evidence to support that assertion however.

By September 2022, Mr R and Dr W no longer had a contract with British Gas as I understand it, so it was not obliged to do any repair at that point. In addition, the policy would not have provided cover for a new boiler anyway, as it was more than 10 years old.

I do not therefore agree that British Gas is responsible for the cost of the replacement boiler.

Compensation

I can see that this was a long saga for Mr R and Dr W.

Dr W says this caused her health issues and contributed to the complications with her pregnancy and early delivery. However, while I have no doubt it would have been extremely frustrating and stressful that this took so long to resolve, I am not aware of any medical evidence to support that this would not have happened if it were not for the insurance claim.

And, as stated above, I do not think that British Gas is solely responsible for the water damage to Mr R and Dr W's home, so it is not solely responsible for the fact they had to move into alternative accommodation, or for the other consequences of having to have the repairs done. I do not therefore agree that any payment is required for 'harm to health'. Having said that, the repairs may possibly have taken less time, if the leaks had been found sooner and Mr R and Dr W should have been given more assistance by British Gas. Having considered all the evidence, I think the total sum of £1,000 compensation is warranted (this is to include the £220 already offered, so an additional £780)."

In summary, I provisionally decided that British Gas should pay Mr R and Dr W the following sums:

1. £1,000 compensation for the distress and inconvenience caused by its handling of the claim. (This is to include the £220 it has already offered for this).
2. £250 compensation for the distress and inconvenience caused by the gas leak issue. (This is to include the £120 already offered for this).
3. Reimburse the cost of the leak detection report, together with interest at 8% simple per annum from the date they paid for the report to the date of reimbursement.

Responses to my provisional decision

I invited both parties to respond to my provisional decision with any further information or evidence they want considered.

British Gas does not accept my provisional findings. It says Dr W only ever had cover for her boiler and central heating, she did not have plumbing and drainage cover. It says the main leak which had been ongoing for some time was from the toilet cistern and, as she did not have plumbing and drainage cover, its engineer would not have ever had to inspect the toilet cistern. British Gas therefore asks that I reconsider the compensation I provisionally decided it should pay and remove the requirement that it pay for the leak detection report obtained by Mr R and Dr W.

Mr R and Dr W have also responded. While they are pleased I have upheld their complaint, they do not consider the compensation I have proposed to be sufficient to reflect the trouble caused to them. They have made a number of further points. I have considered everything they have said and have set out a summary of the main points below:

- They took the policy out in December 2016 and the previous owners held the same policy with British Gas. They reported a problem with a blown radiator valve shortly afterwards but this was a separate issue and had nothing to do with the boiler or underfloor heating leaks.
- British Gas disconnected the towel rail pipework and failed to tighten the stoppers properly, which caused worse damage in that area.
- I have presumed that there would have been loss of boiler pressure when using the boiler for hot water and not the heating (i.e. during the time they didn't have the heating switched on) but the leaks were not from the boiler but from the central heating pipes under the concrete floor. The leaks would not therefore have been continuing during that time.
- This and the use of sealant did mask the problem but it was discussed with each engineer at every visit - more than 20 in total.
- I have taken comments from the surveyor's report out of context. He only referred to a lack of external damp course. And he was trying to sell damp proof remedies. It was however ultimately found that the problem was not rising damp but underfloor and toilet cistern leaks which British Gas should have detected.
- The leak at the back of the property was from a blocked downpipe and lasted less than half a day. It caused a wet patch on the bedroom ceiling and wall but was not relevant to the significant damp throughout the property.
- If British Gas had investigated properly, they would not have suffered the extensive property damage they did.
- British Gas said the volume of water leaking would have been small and sealant was an appropriate solution. The property needed six weeks to dry out using heaters and dehumidifiers. The volume of water was significant.
- The carbon monoxide leak was extremely serious and British Gas put their lives at risk. They are concerned the seriousness of this is not evident and provided statistics of carbon monoxide poisoning related deaths and hospital admissions.
- The contractor that destroyed their en suite bathroom said he would come back but never did because he realised he had destroyed it for no good reason. British Gas only offered to come back to fill the hole left when they complained.
- With regard to the heat exchanger, it did not work as soon as the boiler was switched back on and there had clearly been water ingress around it. Which could only have

happened immediately after installation. The only explanation can be it was a faulty part or incorrectly installed.

- They paid £1,500 for this appalling service and ask this to be refunded.
- The penalty to British Gas has to be substantial. As this needs to be an incentive to change their processes and practices.

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.

Leak detection

I provisionally concluded that British Gas had not acted unreasonably in adding sealant to the system when Mr R and Dr W reported issues with loss of pressure in early 2017 and a year later, which is when they next reported that the boiler was losing pressure.

Mr R and Dr W have said I've incorrectly assumed the leak would have been ongoing even when the heating was off. Water would however, still be in the central heating system even when the heating is off. However, even if the leaks were not happening in the summer months, I have not seen any convincing evidence that it was unreasonable for British Gas to use sealant in early 2017 and March 2018.

I provisionally concluded that further investigations into the cause of the loss of boiler pressure were warranted in September 2018, when British Gas added sealant again having done so only six months earlier. However, I also noted that there was no record of any other report of the loss of pressure until 15 months later in early 2021.

Mr R and Dr W also say they discussed the loss of pressure at every appointment but there is no record that they reported this to British Gas again between March 2017 and March 2018, or between September 2018 and early 2021.

I therefore remain of the opinion that it has not been established that British Gas's actions during the period 2017 to early 2021 were unreasonable but that British Gas should have done more from early 2021 onwards to try and find the cause of the loss of pressure. By then it would have been clear that this was an issue that had been going on for some considerable time and while the leaks were clearly hard to locate, I think it should have done more.

In my provisional decision, I referred to the survey Mr R and Dr W provided, which identified that *"there is no damp proof course in the property and rising damp caused by a plumbing leak in central part of the flat (bathroom) and effects of leaking rainwater goods to the rear of the property."*

I stated that this indicated to me that the damage was likely made worse by the absence of a dampproof course and there was also some water ingress from outside but also that most of the water damage was caused by the internal leaks.

This was part of my reasoning for concluding that it had not been established that all the water damage to the property was entirely due to British Gas's failure to find the leaks within a reasonable time; and that it was likely that the home insurance claim would have still been necessary, as the water leaks had been present for some time and would still have taken some time to find.

Mr R and Dr W also say the water damage in the en suite was made worse because British

Gas failed to tighten the stoppers on the pipework to the towel rail properly. I have not seen any other evidence about this. But even if I accept that is correct, it seems to me that this was not the reason for the home insurance claim. The extent of the damage to their property may not have been as great as it was, if British Gas had done more to find the central heating leaks but Mr R and Dr W have not provided anything further that persuades me that the home insurance claim would not still have been necessary.

Put simply, there is no evidence that the water damage was all caused from early 2021. And in addition, as British Gas has pointed out, not all of it was caused by leaks in the central heating system. Therefore it seems likely to me that the home insurance claim would still have been necessary, even if British Gas had been able to find the cause of the central heating leaks sooner than it did.

I therefore remain of the opinion that British Gas is not responsible for all the consequences of having to make the home insurance claim.

British Gas says it is unfair that it is required to reimburse the cost of the leak detection report Mr R and Dr W obtained and pay the amount of compensation I have provisionally decided it should pay because it would not have been required to find the leak from the toilet cistern, which it says was the main cause of the damage. I will deal with the compensation below.

While I accept the cistern leak would not have fallen within the cover of the policy, there were significant leaks from the central heating system, which British Gas failed to find. The home insurers reported that 1 to 1.5 bar of pressure loss was occurring on each boiler cycle and it found there were leaks on the flow and return pipes between the boiler and the radiators. These leaks were within the remit of the cover provided by British Gas. If British Gas had located the central heating leaks in the period between January 2021 onwards then the leak detection report would not have been necessary. Mr R and Dr W instructed the leak detection company to investigate "*boiler pressure loss*". The report also identified issues with the heat exchanger that British Gas had not identified. So while the leak detection company did also find the leak from the cistern, it was instructed to find the central heating leaks that British Gas should have been able to find and repair. Overall therefore, I consider it fair and reasonable that British Gas reimburse the cost of this report.

Gas leak

I provisionally decided that it was likely the gas leak was present on 1 November 2019, when British Gas serviced the boiler and that it should have detected it. This was clearly a serious error that could have had extremely serious consequences. I can therefore understand the grave concerns Mr R and Dr W have about this. However, the gas leak was resolved without any further issue. I have no power to punish or fine a business for any failings or wrongdoing, as we are not a regulator. I can only instead award compensation that I consider is commensurate with the actual distress and inconvenience suffered as a result of any proven failing by a business. The leak was fortunately resolved without incident and I consider £250 compensation to be appropriate for this and in line with awards made in similar scenarios.

En suite repairs

I acknowledge that British Gas did not offer to come and fill the hole it made when investigating the leak in the en suite until after Mr R and Dr W complained. However, it did do so and I remain of the opinion that this was not an unreasonable investigation to have made at the time. The delay in dealing with the hole was considered as part of the compensation award I provisionally decided was appropriate.

Heat exchanger and new boiler

Leak detection report carried out in July 2021 has a photo of the boiler that looks very similar to the one provided by Mr R and Dr W in response to my provisional decision. In the leak detection report it says the photo shows evidence of “*Moisture escape noted from top of heat exchanger*”. It was after this that British Gas replaced the heat exchanger and then around a year later that the boiler failed. Mr R and Dr W have provided a copy of a message they sent British Gas when the boiler failed in 2022. It says they were told by their builder that the heat exchanger had failed and that they needed a new boiler.

Mr R and Dr W say it is self-evident from this that British Gas either didn't install the heat exchanger properly or it was a faulty part. They therefore consider that British Gas should have put this right and that British Gas should have replaced the boiler.

Even if British Gas was wrong that the heat exchanger would have been adequate to repair the boiler in 2021, I do not think it needs to reimburse them for the new boiler. The policy would not have covered a new boiler in 2021 or 2022 (even if they still had a policy in place then, which they didn't) as the boiler was more than 10 years old (having been installed in 2010). And there is no evidence that British Gas was responsible for any of the faults with the boiler, so there is no reason for it to pay the cost of the replacement.

British Gas tried to repair the boiler in 2021 by installing a new heat exchanger. The fact the boiler failed around a year later (even though it was not used much) is not evidence that this was done incorrectly. And there is no evidence from a suitably qualified gas engineer to substantiate this either. The leak detection report said it would have been more economical to replace the boiler in July 2021 (as there were other issues as well) but as stated above, there was no cover for replacement boiler under the policy. Overall therefore I do not think British Gas acted unreasonably in replacing the heat exchanger in 2021 and I do not consider it is responsible for the cost of the replacement boiler.

Compensation

British Gas says that the compensation is too high as it was never responsible for finding the leak in the toilet cistern.

Mr R and Dr W say the compensation is not enough, given the trouble caused to them. They also say there should be an incentive to British Gas to change its practices and improve its response to customers. They also want the premiums they have paid (£1,500) to be reimbursed.

I do not therefore consider it reasonable that Mr R and Dr W receive the premiums they paid for the policy back, as they did receive assistance under the policy for this and other issues. And as stated above, I have no power to fine or punish a business, only to award compensation I consider fair and reasonable to reflect the trouble caused to the complainant in an individual case where things have gone wrong.

The compensation I provisionally determined, was to reflect the impact of British Gas's failings, including that the repairs may have taken less time if the central heating leaks had been found sooner (because the damage would probably not have been so extensive) and that Mr R and Dr W should have been given more assistance by British Gas (including filling the hole in the en suite sooner). Having considered all the evidence again, I remain of the opinion that the total sum of £1,000 is appropriate. This is in addition to the compensation for the gas leak addressed above.

My final decision

I uphold this complaint and require British Gas Insurance Limited to do the following:

1. Pay Mr R and Dr W £1,000 compensation for the distress and inconvenience caused by its handling of the claim. (This is to include the £220 it has already offered for this.)
2. Pay Mr R and Dr W £250 compensation for the distress and inconvenience caused by the gas leak issue. (This is to include the £120 already offered for this.)
3. Reimburse Mr R and Dr W the cost of the leak detection report, together with interest at 8% simple per annum from the date they paid for the report to the date of reimbursement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R and Dr W to accept or reject my decision before 29 December 2023.

Harriet McCarthy
Ombudsman