

## The complaint

Mr and Mrs G complained that British Gas Insurance Limited (“British Gas”) didn’t fully fix the issues with their leaking water and its poor workmanship caused further problems in their home. Mr and Mrs G were claiming under their home emergency cover.

## What happened

Mr and Mrs G made a claim to British Gas under their policy, when they identified a leak coming from their loft. It took two visits for British Gas to identify a problem with the cold-water tank, so it replaced it which required a third visit.

Mr and Mrs G were unhappy as the work British Gas completed didn’t fix the leak and in fact they reported several other subsequent leaks. Several other visits were required for British Gas to conduct further repairs. Mr and Mrs G’s shower pump failed, so they had a third party replace it, only to find the actual cause of the problem was the water tank that had been installed by British Gas.

British Gas conducted a further visit to install a smaller tank. Due to the age of their boiler, Mr and Mrs G decided to have a new one fitted. However, the companies who quoted expressed issues with how the gas piping and electrics were laid out as it wasn’t consistent with regulations. Mr and Mrs G weren’t happy as some of this work they said had previously been done by British Gas.

Given Mr and Mrs G had opted for a new boiler, British Gas felt it was unable to resolve all the issues with Mr and Mrs G’s heating system. It did offer £500 as compensation for the distress and inconvenience caused by its work. It also reimbursed Mr and Mrs G £598 for rectification works carried out putting right the pipework laid by British Gas and £155 for unnecessary installation of a shower pump.

Our investigator decided not to uphold the complaint. He thought £500 compensation was a reasonable resolution along with reimbursement of the costs incurred by Mr and Mrs G. He didn’t think the policy covered damage caused by the leaks or for contributions to the new boiler. Mr and Mrs G disagreed, so the case has been referred to an ombudsman.

## My provisional decision

I made a provisional decision on this on 18 January 2024. I said:

*“From reviewing the case, it’s clear that both parties agree with the key events that has led to this complaint, so I’m not going to go into detail on this. I’ll focus on reviewing whether British Gas has made a reasonable resolution.*

*I’m pleased British Gas has acknowledged its errors and agreed to refund the costs associated with re-routing pipework to make it compliant with safety regulations. It has refunded the costs Mr and Mrs G incurred for having a new pump installed when this wasn’t necessary. So, I think British Gas has provided a reasonable resolution to this aspect of the complaint.*

*Mr and Mrs G has asked for British Gas to pay a contribution to the cost of their new boiler. I haven't seen any evidence provided to show that British Gas had caused any damage to the old boiler. Mr and Mrs G decided at the time due to the age of the boiler to move to a combi style boiler. Whilst, I appreciate this may have reduced the likelihood of leaks in the future from water tanks, there is no evidence to show this was necessary. So, I don't think it would be fair to ask British Gas to contribute to this.*

*Mr and Mrs G said they want their premiums refunded that they'd paid over the previous ten years or so, as they say they haven't been properly insured. I don't think this is a reasonable request. In purchasing the policy, they've had insurance available to them should they needed it. Whilst they may not have used it extensively in that time, I have no reason to doubt British Gas wouldn't have provided a service if the any claim was covered through the terms and conditions.*

*British Gas have offered £500 in compensation. I do think this is a significant sum. I've also noted Mr and Mrs G did have access to a separate shower to wash during this time, which will have reduced the strain on them. But I do think the ongoing delays with this claim will have caused a significant inconvenience and will have stressed Mr and Mrs G.*

*There is one aspect, I don't think has been covered. I appreciate the damage from the initial leak would be better covered by Mr and Mrs G's home insurance policy. However, I do think there has been subsequent leaks which have been caused due to British Gas' poor workmanship. I think it's likely this would've increased the level of damage caused. Therefore, I intend to increase the level of compensation by £250 to account for this. So, I intend to uphold this complaint".*

### **Responses to my provisional decision**

Mr and Mrs G rejected my provisional decision. Whilst they welcomed the additional £250 compensation I awarded, they felt a figure of £2,000 was more appropriate for the distress and inconvenience they suffered.

Mr and Mrs G explained in further detail the inconvenience the unnecessary re-routing of the pipework caused. They also said they wouldn't have needed to change their boiler had British Gas not caused so many problems. Mr and Mrs G said their alternate shower cost more money to operate as it was electric. Mr and Mrs G said the disruption to their daily life was "severe".

British Gas rejected my provisional decision. It said a smaller water tank was fitted following approval from Mr and Mrs G as they didn't want to wait longer for a similar sized replacement tank. British Gas said it advised Mr and Mrs G to have their water system drained down. However, it said Mr and Mrs G didn't allow their water system to be drained as they still wanted to use the shower, so it didn't think it was given the opportunity to mitigate the leak.

British Gas explained that damage caused by subsequent leaks were down to other issues rather than directly related to the work British Gas completed.

### **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.

Both British Gas and Mr and Mrs G have different views on the level of compensation due, so whatever I decide, one or both parties are likely to not to be fully satisfied with the outcome.

I think the points made have provided a greater understanding of what has happened. However, it hasn't compelled me to change my original compensation award. I appreciate British Gas said Mr and Mrs G made the decision to have a smaller tank to speed up the lead time of delivery. However, as experts, I don't think it should've installed this if it was likely to lead to further problems. Mr and Mrs G has also explained the inconvenience the re-routing of the pipework caused. As I set out in my decision, I'm not persuaded that British Gas' actions impacted the life of the original boiler. There hasn't been evidence provided to support this. I think Mr and Mrs G made an independent decision to renew the boiler.

I think British Gas has made a good point about its ability to mitigate the leak, but for the reasons I've set out in my provisional decision and in my findings here, I think the level of distress and inconvenience is slightly higher than what British Gas paid. So, I uphold this complaint, I require British Gas to pay a further £250 in compensation. On balance, with everything I've reviewed, I think this is the fairest outcome.

### **My final decision**

My final decision is that I uphold this complaint. I require British Gas Insurance Limited pay a further £250 in compensation for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G and Mrs G to accept or reject my decision before 12 March 2024.

Pete Averill  
**Ombudsman**