

The complaint

Mr M complains about the way British Gas Insurance Limited (BG) handled a claim he made under his home emergency policy.

Any reference to BG includes its agents.

What happened

On 17 January 2022, Mr M reported a leak in his property to BG, which was affecting the flat below. He held a home emergency policy with BG which didn't cover any shared pipes.

BG sent an engineer who found there was a leak from the washing machine and repaired this. The engineer also checked the shared soil pipe (communal stack) but found no leak present and requested further monitoring. On 25 January BG re-attended and carried out repairs to a leaking washing machine hose.

However, water was still escaping into the flat below. So, BG attended on 27 January. The engineer carried out a few tests to see where the source of the leak was. He couldn't find an immediate leak or water pooling in Mr M's flat, so inspected the flat below, whilst the washing machine was on. No leak was detected but he noted the insulation was wet. He advised Mr M the leak was likely from the shared soil pipe located between the two flats. He also said this was for Mr M's management company to further investigate, as shared pipes weren't covered under his policy.

On 1 February BG attended and advised Mr M the leak was coming from the communal stack. It was noted the pipework hadn't been correctly installed. And as shared pipes weren't covered under the policy, the claim was rejected.

After the decline, Mr M's building management company instructed a third party to investigate the leak. The third-party had installed a water softener previously and they checked if there was an issue with the installation of the water softener. They found no issue. But on 5 February BG re-attended due to the same leak and advised Mr M, it was from the shared pipe and needed to be referred to the building management company.

The third-party company were called and attended Mr M's flat a further two occasions. Both times they found no issue with the installation of the water softener. They felt the leak was downstream from Mr M's flat. They clarified the responsibility for the leak wasn't theirs or Mr M's fault.

BG further attended on 12 April, following Mr M's request for a leak detection to be carried out. The engineer discovered the leak was in the shared pipe. He carried out a goodwill repair and ensured there were no further issues.

Mr M said his building management company were invoiced £832.92 from the third-party company, and the invoice was passed on to Mr M to settle. So, he raised a complaint with BG, as he believed it had misdiagnosed the issue with the leak.

In its final response, BG clarified its engineers had given Mr M the correct advice. It said when it attended on 17, 18 and 25 January, it carried out repairs to the leaks to the washing machine. But since the visit on 27 January, it had been advising Mr M the leak was in the shared pipework, which wasn't covered under the policy. So, it was unable to agree to reimburse the costs. Mr M remained unhappy with the outcome and referred his complaint to this Service, for an independent review.

An Investigator considered the complaint and thought it shouldn't be upheld. She said BG had identified the issue coming from the shared pipe, which the third-party company also identified. And as the third-party company absolved Mr M of any responsibility for the leak, this suggested it was the management company's responsibility to trace the source of the leak and resolve it. So, she was unable to ask BG to reimburse Mr M's costs.

BG accepted the view, Mr M did not. He said BG had misdiagnosed the leak, which ultimately resulted in him being liable for the third-party's costs.

As the matter couldn't be resolved, it 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 don't uphold this complaint, for much the same reasons as the Investigator. I understand this might be a disappointment to Mr M, but I hope my findings go some way in explaining why I've reached this decision.

Mr M complains BG initially misdiagnosed the leak, which resulted in him being liable to pay for the third-party costs. The costs arose as Mr M's building management agent, instructed a third-party company to investigate the leak. The company had previously installed a water softener and checked whether the water softener installation had failed and caused the leak.

The third-party company found no issue with the installation but charged Mr M's building management agent £832.92 for their attendance. This cost was passed on to Mr M.

I note in the third-party company's report, it absolved any fault with their work. It also didn't lay any blame for the leak, on Mr M: *'This indicates that the issues being experienced by are downstream of any connection and as such absolves (the third-party engineers) and the residents of [Mr M's Flat] of any responsibility of this escape of water.'*

The report found other companies had identified the cause of the leak a few weeks earlier. Based on what I've reviewed, I'm satisfied BG had identified the leak coming from the shared soil pipe, supported by the third-party company. And having reviewed the policy terms, shared pipes weren't covered. I note BG did carry out the repair as a gesture of goodwill on 12 April. But I don't think this means it initially misdiagnosed the issue. It had told Mr M what the issue was on 27 January. And I'm satisfied that issue wasn't covered by the policy terms. So, I can't hold BG responsible for not fixing the issue earlier.

Mr M believed BG hadn't acted with reasonable care and skill, but I haven't been provided with evidence from Mr M that supports this point. Moreover, BG identified the leak coming from the shared pipe and once it had informed Mr M the policy wouldn't cover the repair, the building management agent then got involved. I can't look at any issues with the managing

agent, or why it acted the way it did, but I'm satisfied that BG doesn't need to reimburse the amount it charged Mr M.

Based on the evidence, I'm not persuaded BG were at fault here. It had identified the leak coming from the shared pipe, which I think was supported by the third-party company. BG also carried out a goodwill gesture repair to the shared pipe, which it wasn't obliged to do under the policy terms. In the circumstances, I understand this is likely to be a disappointment to Mr M, but I won't be asking BG to do anything further to resolve this complaint.

My final decision

For the reasons given, I don't uphold Mr M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 9 May 2024.

Ayisha Savage
Ombudsman