

complaint

Mr and Mrs J complain British Gas Insurance Limited has caused damage to their property following a power flush clean of their heating system. This was as a result of a previous complaint upheld by the ombudsman service.

This decision involves businesses working on behalf of British Gas. For ease I'll refer to British Gas throughout.

background

Mr and Mrs J had a new boiler installed in 2012. There were some problems following the installation which British Gas agreed to refund increased premiums as a result of the call outs and offered £420 in vouchers/cash. The complaint was referred to our service as Mr and Mrs J didn't believe this rectified the problems they were having.

An ombudsman required:

- A refund in the increase in premiums Mr and Mrs J paid as a result of its errors.
- For the claims history to be removed from the file so future premiums aren't affected.
- Offer Mr and Mrs J £420 either in Home Care vouchers or cash.
- Clean the central heating system in line with the manufacturer's recommendations and deal with any related problems free of charge.
- Pay £250 for the frustration and inconvenience charged.

British Gas carried out the cleanse of the central heating system over two visits in November 2015.

In January/February 2016 (both dates have been given) Mr and Mrs J noticed a crack in the kitchen ceiling. The ceiling subsequently collapsed. British Gas stopped the leak, repaired the pipe and restored the water supply.

In March 2016, Mr and Mrs J were experiencing problems with their water pressure and new pump was fitted. In April 2016 the damage caused by the leak was assessed by a contractor, who agreed damage had been caused as a result of the flush but not all of the damage claimed for by Mr and Mrs J. They believed some of the damage was pre-existing or not related at all. They produced a quote of £1,600 to repair the damage, not including VAT. British Gas ultimately offered this to Mr and Mrs J.

On 19 April 2016 a second leak occurred. Mr and Mrs J called out a plumber to stop the leak which had resulted from a split ball valve in the thermal store tank and a broken housing for the over flow pipe. British Gas subsequently replaced the valve. Mr and Mrs J claimed the valve was 'blown' as a result of the works carried out by British Gas in November 2015 and March 2016. British Gas denied this, citing the valve being worn as it had been in situ for over 20 years and had degraded. They complained about the way British Gas handled the cleanse and believed it should be covering the damage caused by the second leak.

Because of the time British Gas was taking to respond, Mr and Mrs J asked us to look into the matter. And when we asked the business for its file, it agreed it hadn't handled matters well and offered £270 for the distress and inconvenience caused, in addition to the settlement offer already made. However, it didn't agree it was responsible for any of the damage caused from the leak in April 2016.

Mr and Mrs J had also claimed that British Gas had installed a faulty thermostat which has resulted in an increased gas bill. But British Gas said Mr and Mrs J had been advised to site the thermostat elsewhere but had refused.

Our investigator put the offer to Mr and Mrs J, but they weren't willing to accept it. So our investigator reviewed the complaint and concluded the settlement offer already made was a fair resolution to the complaint. He also wasn't persuaded British Gas should pay for any increase in their gas bill as it had advised them to site the thermostat in a different place.

Mr and Mrs J have asked for the matter to be referred to an ombudsman. In summary, they argue:

- All the problems they have experienced stem from the power flush that British Gas carried out. They don't believe a power flush should have been used to clean the central heating system.
- The quote from British Gas' contractor has simply been accepted by this office.
- British Gas is responsible for the escape of water between November 2015 and February 2016. They are entitled to obtain independent quotes for the work and expect to be put in a pre-flood condition.
- The contractor concluded there was pre-existing damage. Mr and Mrs J admit there was damage but that this had been caused by British Gas in 2012 when a pump they installed leaked. As the kitchen was due to be repainted anyway, they never approached British Gas about it. They consider the damage to the ceiling and around the window in 2016 mirrors that of 2012 which is evidence of the water travelling.
- Following the installation of a new pump to correct the water pressure decimation following the power flush, another flood occurred on 19 April 2016. Mr and Mrs J had to call out an emergency plumber who traced the leak back via the overflow pipe, which had come away, and to the ball valve in the thermal store tank. They say the plumber informed them the valve had completely blown and was twisted and out of place. They further say the plumber's conclusion was that it must have been subjected to extreme pressure. They also say British Gas' engineer accepted this at the time. They want their plumber call out costs reimbursed of £114 and costs for the damage from the flood to be repaired. Mr and Mrs J contacted the manufacturer about the shower valve, who replaced it free of charge.
- Following the breakdown of the central heating thermostat in March 2015, the thermostat was replaced by the engineer. But it didn't work properly due to faulty wiring. This was rectified in April 2015. During 2015-2016 the heating never switched off despite it being a very warm winter. They bought a thermometer to test the working of it and found it remained on [at 26 degrees] when it was supposed to switch off at 19 degrees. Although an engineer inspected it and said it was working the following day it needed rewiring again. They were told they would get a refund of the increased gas usage but that has never been paid.
- They should be paid compensation for the additional appointments needed to rectify British Gas' mistakes. It has wasted time and failed to resolve the issues that have arisen.
- Work to repair the damage still needs to be carried out. They also say air has been building in the central heating system since the power flush. This has been looked into but not resolved.

- Mr and Mrs J also want their premiums adjusted if these have increased due to the number of call outs.

The matter was referred to an ombudsman, who had noted Mr and Mrs J wish to obtain their own quote and that they wanted a premium refund if increases had happened as a result of the number of call outs. Mr and Mrs J have now provided a quote and further information has been obtained from British Gas. As my previous colleague wasn't available to continue the case, the matter has been referred to me for review and determination.

I issued my provisional findings on 16 September 2019 explaining why I was minded to find that much of what Mr and Mrs J had complained about fell outside of my jurisdiction. I also explained why I wasn't minded to uphold the remainder of the complaint.

British Gas hasn't replied to my provisional findings and so I assume it has nothing further to add. Although Mr and Mrs J acknowledge it might not alter the outcome they have replied at length. I summarise their points below and respond to them within my findings. They say:

- Hot water pressure was decimated following the cleanse. A new pump was fitted but the pump was switched to maximum pressure, with the engineer not taking account that their system usually works at 1.5 bar. The sudden increase in pressure caused problems with the connected devices. Some repairs were carried out the same day by British Gas, but other issues arose. Mrs J considers it apparent that problems with the shower valve and the radiators were as a result of the pump being fitted. The loo flush also wasn't working properly. It was agreed the bathroom plumbing in general had reacted badly to the new pump being fitted.
- During this time a new thermostat was fitted as the old one was faulty. This needed fixing the following day as it hadn't been wired into the system correctly. The previous one worked perfectly and had been sited in the same place. The engineer who alleged the thermostat was working was the same engineer who carried out the cleanse. And if it had been working then why was it replaced in March 2016. They are owed money for the months they had a faulty thermostat.
- When British Gas' contractors reviewed the damage there was no suggestion of pre-existing damage.
- On 19 April 2016 they came home to find water coming into the kitchen through the ceiling light fitting and the loo flush plate. An emergency call out was made to a plumber who discovered the ball valve had been blown into the air and twisted out of shape. The overflow pipe had come free from its housing and trapped under the loo flush mechanism. The plumber concluded the sudden explosive pressure accounted for the blown ball valve and the broken housing to the overflow pipe. They wish they had asked the plumber to provide more detailed information at the time and wondered if it would be worth their while contacting the plumber to see if they recall and can describe in their own words what they saw.
- The valve was damaged as a result of the installation of the power pump in March 2016 and not as a direct result of the work in November 2015.
- They believe either British Gas' contractor should carry out the repair or they should receive the funds to enable their quote to be carried out. They also disagree the amount of compensation offered - £270 – is sufficient for nine appointments needed to correct British Gas' mistakes. They also want compensation for high voltage wiring being left exposed and for any increase in premiums as a result of the call outs.

Mr and Mrs J have also provided a bit more background to the events complained of and I have made amendments where I have considered it necessary and relevant to my decision.

As explained before, I'm not required to consider each and every point and I have summarised the background and arguments.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I think it fair to say that a lot has gone on here and a number of concerns raised. Although I have only summarised the background and arguments above, I would like to reassure both Mr and Mrs J and British Gas that I have considered everything provided in its entirety, including Mr and Mrs J's response to my provisional findings. My role isn't to comment on every point made but consider the crux of the complaint and what has happened. Having done so I'm not persuaded that all of Mr and Mrs J's complaint falls within our jurisdiction to consider.

As the parties are aware, Mr and Mrs J brought a complaint to our service previously about British Gas. That complaint was decided by an ombudsman, whose decision was accepted by Mr and Mrs J. That meant the decision was legally binding on British Gas and compliance with the decision could be enforced through the courts if necessary.

Amongst other awards made, the ombudsman required British Gas to:

- *Clean the central heating system in line with the manufacturer's recommendations and deal with any related problems free of charge.*

Mr and Mrs J have complained about a number of matters, all of which they argue stem from British Gas carrying out a power flush to cleanse the central heating system. If I were to agree that all of the issues that arose were due to the cleanse, then they are matters we can't consider as a service. I explain why below.

Under the rules which govern our service, we can only consider matters which the rules allow us to do so. These include whether the complaint has been brought by an eligible complainant or if the complaint has been brought in time. The rules also include the activity complained about.

The rules can be found in Chapter 2 of the Dispute Resolution section of the regulator's handbook of rules and guidance, available online. DISP 2.3.1R says "*The ombudsman can consider a complaint under the Compulsory jurisdiction if it relates to an act or omission by a firm in carrying on one or more of the following activities.*" Following that is a list of activities that we can investigate. That means we can only investigate Mr and Mrs J's complaint if British Gas was carrying out a listed activity when it cleansed the heating system.

The activities listed in DISP 2.3.1R are:

- (1) Regulated activities (other than auction regulation bidding and administering a benchmark);
- (1A) payment services;
- (1C) CBTL business [consumer buy to let];
- (3) Lending money secured by a charge on land;

- (4) lending money (excluding restricted credit where that is not a credit-related regulated activity);
 - (5) paying money by a plastic card (excluding a store card where that is not a credit-related regulated activity);
 - (6) providing ancillary banking services;
 - (7) offering and/or issuing of investments by ISPVs;
 - (8) giving non-personal recommendation advice;
- or ancillary activities, including advice, carried on by the firm in connection with them.

Regulated activities are a specified list of activities that the Financial Conduct Authority regulate and authorise financial businesses to carry out. I won't repeat the full list here as it contains a large number of activities. The list does include effecting and carrying out a contract of insurance. And Mr and Mrs J's HomeCare policy is a contract of insurance.

But when British Gas was cleansing the central heating system, it wasn't doing so as a result of the policy, but as a result of the direction of the ombudsman who decided Mr and Mrs J's previous complaint. I'm afraid the list of activities I can consider doesn't include complying with an ombudsman's directions or award.

The ombudsman required British Gas to '*deal with any related problems free of charge*'. Therefore, any losses Mr and Mrs J have suffered as a result of the way British Gas complied with the ombudsman's decision are not matters I can consider. I'm satisfied the below matters flow directly from British Gas' compliance with the ombudsman's decision and so are not matters that fall within our jurisdiction:

- The escape of water between November 2015 and February 2016 and the resulting damage. British Gas accept this was as a result of the cleanse and have made an offer.
- Compensation for the inconvenience caused by having to be home for additional visits as a result of the leak. British Gas has made an offer.
- Any premium uplift Mr and Mrs J have incurred as a result of the multiple callouts to rectify the damage.

I'm afraid this means I can't consider any part of Mr and Mrs J's complaint as a result of these matters. I know Mr and Mrs J are particularly unhappy about this and don't think the compensation offered is sufficient. But Mr and Mrs J will need to enforce the previous ombudsman's decision if they don't believe British Gas has complied with the ombudsman's direction to '*deal with any related problems free of charge*'. It's therefore remains my position that I'm unable to make any finding or award in relation to these parts of Mr and Mrs J's complaint.

However, there are some matters which I find don't relate to the cleanse and so are matters we can consider. I'll deal with each in turn.

Damage to the kitchen ceiling and window

I understand Mr and Mrs J believe the damage to the kitchen ceiling and window sill are due the leak. They explain a similar leak happened in 2012, also as a result of faulty work by British Gas. However, they have provided no persuasive evidence in support of their position – there is no evidence British Gas caused a previous leak in 2012. The later damage was inspected by a contractor for British Gas in April 2016 who concluded some of the damage wouldn't have arisen as a result of the leak. They did note a stain, which is reported as an

area Mr and Mrs J had made good from a previous leak, damaged paintwork which they didn't think was due to the leak, and pre-existing damage to tiles in the bathroom. Overall the contractor concluded the damage boards in the loft, the insulation below that and the landing ceiling was due to the leak but nothing else.

Mr and Mrs J argue their property was in good order before the leak and all the damage was caused by the leak. But they still haven't provided any persuasive evidence (which might be difficult so long after the event) to show the contractor's conclusions were wrong.

Overall, I'm not persuaded the damage to the kitchen ceiling and window was due to the aforementioned leak, or any other work done by British Gas. I would say, if only for the sake of completeness, that even had Mr and Mrs J been able to provide persuasive evidence this wouldn't have advanced their case here, as it would have meant this damage was as a result of the cleanse and so out of our jurisdiction for the reasons previously given.

Flood damage on 19 April 2016

Mr and Mrs J believe British Gas is responsible for another leak on 19 April 2016. This was following work British Gas did to increase the hot water pressure (which Mr and Mrs J say had dropped following the cleanse). British Gas installed a pump on 10 March 2016 and following this a radiator valve sprang a leak, the thermostatic shower valve no longer worked and banging noises were emanating from the pipes. Investigation works were supposed to be carried out, but this never took place and the leak subsequently occurred.

Mr and Mrs J called out a plumber to fix the leak. And they say the plumber informed them the ball valve in the thermal store tank had completely blown due to the pressure, was twisted and out of place. They consider this led to the damage to the radiator valve, the shower valve and dislodged the overflow pipe.

Our investigator asked Mr and Mrs J to provide evidence of the plumber's findings. They have provided a receipt showing they paid £114 for the call out. This was attached to a job sheet that said:

*... Ball valve in the thermal store tank needs replacing as **possibly** damaged through previous work [my emphasis]*

The information provided by the plumber doesn't support Mr and Mrs J's assertions that the damage was caused by British Gas. The plumber has only indicted the *possibility* of this being caused by the work carried out. But it only being a possibility means it's equally possible the damage was as a result of a worn ball valve, as submitted by British Gas or as a result of something else. I find the evidence isn't persuasive that British Gas caused the leak.

Mr and Mrs J have, in response to my provisional findings, made somewhat contradictory submissions. On the one hand, they say they have no idea if the drop in pressure, or the new pump being fitted, was due to the cleanse carried out in November 2015. But on the other, they continue to say the water pressure dropped as a result of the cleanse.

It is very difficult now, so long after the event, to know what happened with any degree of certainty. I know Mr and Mrs J have referred to obtaining further information from the plumber. But I doubt whether the plumber will remember this visit more than three years after it took place. And even if they did any submission they provided would likely be affected

by the passage of time. I'm also mindful it has always been open to Mr and Mrs J to obtain further information from the plumber had they wanted to do so.

In my provisional findings, I said I had borne in mind that the manufacturer of the shower valve inspected the damaged valve and concluded there were faults which caused the problems Mr and Mrs J had been experiencing. I do take Mrs J's point that the valve could have split from the pressure. But I also need to consider the manufacturer itself said there were faults with the valve. It seems to me the manufacturer would be best placed to know, and I would question why it would say there was a fault, if that wasn't actually the case.

I acknowledge Mr and Mrs J's points about the radiator valves, and that they leaked almost immediately on the new pump being fitted. But I don't think that is persuasive evidence any pressure caused the ball valve to blow or the overflow pipe to come away from the housing. Indeed, given that they describe this as sudden explosive pressure, I consider that *if* the ball valve and overflow pipe had been damaged as a result of the new pump being fitted, this would have been evident far sooner than over a month later. I remain of the view the damage could equally have been as a result of a worn ball valve. As Mr and Mrs J have asserted it was as a result of the work carried out by British Gas, it is for them to provide supporting evidence of their position and I'm not persuaded they have done so.

I therefore find no basis on which to ask British Gas to make good the damage from the leak or to cover the costs of the plumber call out. Under the terms of their HomeCare policy British Gas are liable only for repairs to the heat and hot water system. I understand it replaced the valve, which is what Mr and Mrs J are entitled to under the policy. The damage caused by the leak may be something they can claim for under any buildings or contents insurance they may have.

Refund of gas usage between 2015 and 2016 as a result of a faulty thermostat

I have relooked at the evidence provided again given Mr and Mrs J comments about the thermostat.

I can see they had their thermostat replaced in May 2015. On the job sheet signed by the engineer and recorded on its system is advice that Mr and Mrs J ought to relocate their thermostat and have something like the Hive system installed for better temperature control. Mr and Mrs J declined to take that advice.

I understand that following the cleanse, Mrs J contacted British Gas as her room thermostat wasn't reading the correct temperature and so an appointment was arranged. This was originally arranged for 12 March but due to meetings another engineer was due to attend. Before that appointment took place the leak of January/February 2016 occurred. And events overtook the thermostat not working correctly. I can see from the information provided that it was replaced on 10 March 2016 with a further appointment on 11 March to correct the wiring. I understand from the information provided by British Gas it was replaced with a programmable thermostat which could be relocated.

I accept there was a problem with the wiring over the period of one night. But I haven't seen any evidence that the thermostat installed in March 2015 was faulty such that it caused an increase in gas usage. And it would appear the new thermostat was of the kind that was recommended in the March previous and which could be relocated – something which British Gas did advise previously.

Mr and Mrs J still haven't provided any persuasive evidence that the increase in their gas usage was as a result of a faulty thermostat rather than it being caused by something else, such as it being in the wrong place. I'm therefore not persuaded British Gas did anything wrong.

But I do find it shouldn't have been necessary for Mr and Mrs J to attend another appointment, as the wiring should have been completed correctly on 10 March 2016 and so they should be fairly compensated for that. I can only comment on the offer so far as it relates to this appointment and I'm satisfied a fair offer has been made.

Remaining call outs on 19 and 28 April 2016

I have already found above that the leak that occurred on 19 April 2016 wasn't as a result of any work carried out by British Gas. Therefore, the call out wasn't as a result of any wrong doing by British Gas but the natural result of needing to claim under the policy. And I have found the shower valve that needed replacing was due to a fault with the part – the call out on 28 April. I find no basis on which to ask British Gas to compensate Mr and Mrs J for the inconvenience caused in having to attend these appointments.

As I am unable to comment on the offer of compensation put forwarded by British Gas to the extent it relates to appointments needed for the first leak, or the offer made to rectify the damage done as a result of the cleanse, I leave it to Mr and Mrs J to decide whether not they wish to accept that. If they do, they will need to contact British Gas directly.

my final decision

For the reason given, I find that much of Mr and Mrs J's concerns relate to an ombudsman's previous decision and so not something I can investigate. I don't uphold the remainder of their complaint for the reasons given.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs J to accept or reject my decision before 9 November 2019.

Claire Hopkins
ombudsman