

## **complaint**

Miss C complains about the advice provided to her by British Gas Insurance Limited following a gas leak at her property.

## **background**

Miss C reported a smell of gas on 2 January 2013, her gas supplier attended and concluded that there was a leak on internal pipework in her home. It switched off the gas and declared her central heating system unsafe. As a result of this she contacted British Gas who sent an engineer the same day. This engineer also told her that he thought that there was an internal gas leak and capped the gas supply at the meter. He advised that the gas supply pipe should be re-run and/or a new system should be installed.

The following day Miss C had a visit from a private engineer who carried out a gas leak investigation; he did not find any leak within the property. He therefore switched the system back on. That evening, a representative from British Gas New Heating attended (to quote for re-running the pipes/installing a new system) and advised that the gas supply should be switched off again.

Miss C decided to have a new combination boiler and radiators installed and this work was carried out by her private engineer and commenced on 7 January 2013. The day after he started work he reported a smell of gas to the supplier. The supplier attended and finally located the leak on a supply pipe outside of Miss C's property.

Miss C complained to British Gas as she feels she would not have spent over £4,000 on the new system if it had not advised her to do so.

British Gas offered Miss C £50 compensation for inconvenience as a goodwill gesture but does not accept that it was responsible for the cost of a new system.

Our adjudicator recommended that the complaint should be upheld. He concluded that Miss C installed the new system at her property based on the advice that was provided to her by British Gas. Miss C's private engineer has provided a detailed report of what he did to test if there was a gas leak in her property and it appears that he was correct that there was no leak internally.

As Miss C's previous system was quite old he recommended that British Gas pay a 50% contribution towards the cost of the new system, ie £2,100 plus 8% interest. This is inclusive of the £50 which British Gas had previously offered. Miss C accepted this recommendation but British Gas did not.

British Gas says that the gas supplier also thought that there was a leak on the internal supply pipe. Her engineer should have carried out further investigations before replacing the system. It also says that re-running the pipe would not have been covered under the policy and that is why arrangements were made for a quote for a new system.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

It was the gas supplier that was first called to the property and said that the leak was within the property. It was the supplier that turned off the gas at that stage and its checklist left with Miss C says it was "gas installation pipework disconnected and labelled immediately dangerous".

British Gas then also attended and its engineer says there was a smell of gas inside and he also apparently detected a drop in pressure that indicated a leak inside. He could not find the leak and it was decided that finding it would potentially be more expensive than just isolating the old system and installing a new system (especially given that the boiler was about 26 years old).

Her engineer – apparently carrying out the same checks - said there was no leak. He also installed the new boiler and was the one to find the leak on external pipework, which had not been detected previously.

British Gas says that it acted correctly, as it and the gas supplier both identified an internal gas leak. It is, of course, difficult for me to be certain but I am inclined to prefer the evidence from Miss C's own engineer, who found no internal leak and was the only one to correctly detect the external leak. I am unable to explain why both British Gas and the gas supplier both concluded the leak was inside (and it is of course not impossible that there was also a leak inside, although unlikely) but given that the gas supplier did not detect the external leak, it is difficult to accept its findings with confidence.

In addition, even if there was an internal leak and I accept that there was no wrongdoing on British Gas' part in giving the advice it did, it has not explained the basis for determining that no repairs should have been carried out under the policy. It may have been more economically viable to replace the system but in my opinion, Miss C was entitled to have repairs/investigations carried out under her policy. The policy she had covered the boiler, central heating system and pipework. I cannot see anything which would exclude the gas supply pipe or that the supposition by its engineer that the leak may possibly have been under the foundations would exclude it either.

Instead British Gas quoted her for a new boiler. Miss C went elsewhere and it transpired the leak was not inside. Therefore without British Gas' misdiagnosis of the location of the leak, I consider it unlikely that Miss C would incurred the cost of the replacement boiler – which although relatively old, was still fully functional - at that time. It is, however, likely that Miss C would have had to replace the boiler at some point in the future. Therefore I agree with the adjudicator that a 50 % contribution is fair and reasonable in all the circumstances of the case

The fact that the gas supplier also made the same mistake is not relevant to my determination of this complaint against British Gas (unless it has paid any compensation for the same error, which British Gas would be entitled to offset).

### **my final decision**

I uphold this complaint against British Gas Insurance Limited and require it to pay Miss C the sum of £2,100 together with interest at 8% simple per annum, from the date she paid her engineer to replace the boiler to the date of reimbursement.

Under the rules of the Financial Ombudsman Service, I am required to ask Miss C to let me know whether she accepts or rejects my decision before 26 January 2015.

Harriet McCarthy  
**ombudsman**