

## **complaint**

Mrs K complains that British Gas Insurance Limited left her heating system in a worse state after it attempted some repairs under her Homecare 300 policy and the required repairs aren't covered by the policy.

## **background**

I issued a provisional decision on this matter on 22 October 2018, part of which is copied below.

*"Mrs K has a Homecare 300 policy with BG which, in certain circumstances, provides cover for emergency repairs to her heating system.*

*During an annual service of the boiler a BG engineer identified there was a problem with one of the radiators. He attempted to fix it under the emergency repair cover of the policy but wasn't able to.*

*Over the course of the next couple of months BG engineers made a number of other attempts to fix the problem but in each case the repairs were unsuccessful. A number of other radiators also stopped working.*

*Mrs K wasn't happy with the lack of a progress and complained to BG. Another engineer identified sludge in the system and said it needed to be flushed and a filter fitted. This wasn't covered by the policy so would have to be paid for by Mrs K.*

*Eventually a senior engineer was sent to look at the problem. He told Mrs K that a flush of the system would be a waste of time as the wrong pipework had been used in the heating system at installation. So, any flush would be ineffective. He told her the pipes were made of a non-barrier plastic and were therefore unsuitable for heating systems.*

*Further engineers attempted repairs but weren't able to get all the radiators working at the same time. The final engineer confirmed that the system had the wrong type of pipes for a heating system and would therefore need re-piping. This work wasn't covered under the policy and Mrs K would have to pay this.*

*BG issued a final response on the complaint covering the repair attempts that had been made and said on the final visit its engineer had managed to get the remaining radiators to heat up. It apologised for any stress caused to Mrs K and said it wouldn't charge a £50 excess fee that was outstanding.*

*Unhappy with BG's response and because her heating was still not working properly, Mrs K brought the complaint to us. Our investigator said, in summary, BG hadn't successfully restored the heating system to working order and he thought it should do whatever was necessary to achieve that. He also said it should pay Mrs K a total of £200 for the stress it had caused her.*

*BG didn't agree with this saying that faults caused by sludge were specifically excluded under the policy. Our investigator said he didn't think the exclusion BG was relying on applied and explained why. BG still disagreed and asked for an ombudsman to make a decision.*

### **my provisional findings**

*I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. And having done so I'm likely to reach a different decision from the investigator. I know this will be very disappointing for Mrs K so I'll explain why.*

*I'll explain my reasoning in three distinct areas, then I'll look at what I think should happen next.*

#### *the cause of the problems*

*A number of the BG engineers said the heating system needed to be flushed because there was sludge in the system.*

*Sludge comes from deposits in the water in the heating system. It can restrict the circulation of the water and decreases the efficiency of the heating system. It will often result in the uneven heating of radiators or the failure of one or more of the radiators to heat up as is the case here. Flushing the system clears out the sludge and should improve efficiency.*

*The senior BG engineer identified that Mrs K's system had micro-bore piping. And he explained that these pipes were made of a non-barrier type of plastic and were unsuitable for heating systems. He said that flushing the system would be a waste of time because the pipes weren't suitable and re-piping the system would be required to restore it to full working order.*

*I note from the file that two other engineers also identified the pipework wasn't suitable and, ultimately, was the cause of the problem. BG's files show the first of these identified the possibility on his visit on 28 November but this wasn't explained to Mrs K at the time. It wasn't until 31 January that this was first mentioned to Mrs K.*

*Overall, I'm persuaded by the engineers' professional expert opinions that the pipework wasn't suitable for the heating system. And I'm satisfied on balance that without this being replaced it wouldn't be possible to fix the system and return it to full working order.*

*Having reached this conclusion I've then gone on to consider whether the solution to the problem – the system being re-piped – is covered by Mrs K's policy.*

*is the replacement pipework covered under the policy?*

*The starting point for this part of my decision is the terms and conditions of the policy. These define the terms on which BG was willing to provide the insurance. And of relevance here in my view is something contained in the General exclusions which says*

#### *Pre-existing faults*

*Our products don't cover for any faults or design faults that:*

- Were already there when your boiler, appliance or system was installed, or were caused by anybody other than us when any change or additions were made to your boiler, appliance or system*

*I've already concluded that the likely cause of the problems was the incorrect pipework used in the heating system. I've seen nothing to suggest BG was responsible for the installation of*

*this faulty pipework. So, on balance, it's more likely than not to have been there since the system was installed, or replaced, by someone other than BG at some point in the past.*

*In other words, the fault was already there when the policy was taken out and pre-existing faults like this are specifically excluded under the exclusion I've detailed above. So I don't think BG has acted outside the policy in declining the claim for the replacement pipework. And looking at what's fair and reasonable in this case, I'm not persuaded it would be fair or reasonable to require BG to cover the cost of putting something right that was incorrectly installed by a third party and nothing to do with BG.*

*did BG make the problem worse?*

*Mrs K said she asked the first engineer to leave things as they were if what he was going to do would cause bigger problems. She's also said that the engineers have made the problem worse and left her with less radiators working than she had at the start. But I'm not persuaded BG is responsible for the other radiators stopping working.*

*I've concluded there was a pre-existing problem with Mrs K's heating system as it has been fitted with the wrong pipework. And there's sludge in the system which had already affected its performance. The policy clearly explains that damage caused by limescale, sludge or other debris is not covered.*

*I'm persuaded by BG's argument that any repairs it did were likely just to move the sludge further along inside the system. So I'm satisfied it was more likely than not that the sludge continued to cause further problems with other radiators not working.*

*As I've explained above, I'm satisfied that it's more likely than not the only solution to the various faults with the system is for it to be re-piped. In the absence of this work being undertaken it seems likely that any fixes BG undertook were only going to be temporary. So, overall, I'm not persuaded BG made the problem with the radiators worse.*

*What I do think though is that BG didn't handle the situation well. Mrs K was given incorrect information by a number of engineers who failed to identify the route of the problem, suggesting instead the system needed flushing. It wasn't until the senior engineer called that it became apparent this would have been a waste of time due to the incorrect pipework being fitted.*

*From BG's system notes, I can see it was identified as early as 28 November that the system may need re-piping but this wasn't explained to Mrs K until the senior engineer's visit on 31 January 2018. And on 8 February another engineer confirmed a quote for the work to be undertaken.*

*So in summary, I think BG could have provided the correct explanation much sooner. Because it didn't, Mrs K was left with the uncertainty of not knowing what was wrong with the system. Perhaps more importantly, she was also left with an inadequate heating system over the cold winter months. I understand why she would have found this very stressful and I think BG should pay her £250 to reflect the trouble and upset it caused by the delay in not telling her how things could be put right."*

### **the response to my decision**

Mrs K responded to my decision reiterating some of the points she'd made previously. Additionally she said, in summary that

- if she'd followed the initial recommendation given by a BG engineer she would have paid £790 to flush the heating system and this wouldn't have resolved the problem
- she asked why there was a delay of four weeks from when BG initially identified the possible need for the system to be re-piped to the day she was actually told
- she asked the engineer not to undertake the work if it would cause further problems
- injecting air into the system wasn't the right way to attempt a repair
- her health has been impacted by the matter
- she also mentioned the Consumer Rights Act 2015 and thought this act might cover these repairs

BG didn't have anything further to add.

### **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've acknowledged in my provisional decision BG misdiagnosed the route of the problem on a number of occasions. And while it provided a quote for a flush of the system, which was unlikely to have had any impact on the problem, Mrs K didn't proceed with this work and so didn't incur the cost it would have entailed.

I agree that BG should have told Mrs K sooner what the route of the problem was. But it didn't and I've borne this in mind when deciding what I think it should pay Mrs K to reflect the impact of the delay on her.

Mrs K reiterated that she asked the engineer not to proceed with the work if he thought it would make things worse. And she doesn't think injecting air into the system was the right way to fix it.

I concluded in my provisional decision there was a pre-existing problem with the heating system in so much as it had been fitted with incorrect pipework. There was also a build-up of sludge in the system which was already causing problems with the effectiveness of the radiators.

Because of this, even if BG hadn't attempted repairs then I think it's more likely than not that Mrs K would have experienced further problems with the radiators as sludge moved around the system. I'm persuaded by the professional opinion of the BG engineers that the only solution to the problem is for the pipework to be replaced with the correct pipework for the system. And I've concluded above that this isn't covered by Mrs K's policy as it was a pre-existing problem and not anything to do with BG.

I have sympathy for Mrs K as she's been diagnosed with a serious medical condition. She says the delays in the resolution of this issue have made her condition worse. In the absence of a medical opinion confirming this, it wouldn't be fair or reasonable for me ask BG to pay her more because of this claim.

This case relates to an insurance claim so I'm not persuaded the Consumer Credit Act 2015 applies to these repairs. In this decision, I'm looking at whether BG has fulfilled its obligations under the insurance contract and I'm satisfied it has so I've concluded it doesn't need to do any more.

So, in summary, I'm not persuaded to change my decision.

### **my final decision**

My final decision is that I partially uphold this complaint and instruct British Gas Insurance Limited to pay Mrs K £250.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 19 December 2018.

Paul Phillips  
**ombudsman**