

complaint

Mrs F is unhappy with the service provided by British Gas Insurance Limited in relation to her boiler, central heating and plumbing and drainage insurance policy.

background

In October 2016, Mrs F contacted British Gas to make a claim as her boiler was not working properly. British Gas's contractor came out and inspected the boiler. It confirmed that the cause of the problem was a leak from a hot water pipe somewhere in the system underneath a concrete floor. I understand there were a number of visits to fix this. The first engineer said he could not fix it because it needed to be dealt with under the plumbing cover, not the boiler cover. A plumbing contractor came out and told Mrs F that he'd found the leak but didn't fix it. He however, damaged a pipe leading to a radiator, with a chisel. He fixed that and left. But Mrs F could see that the same boiler issue was happening and called British Gas again. The third contractor turned up without tools to dig up the floor and so couldn't do the required repair, so a fourth visit had to be arranged. They said they found a small leak but Mrs F thinks they caused that too.

A fifth visit found the leak, by now water was flooding the downstairs and the pipe had split. I understand the leak was fixed and the floor re-laid. Mrs F also installed a new kitchen and had the pipework re-routed through the walls rather than under the floor. However, apparently the original pipe wasn't capped off from the boiler.

In November 2017, Mrs F noticed the boiler displaying the same fault as previously indicating that there was still water leaking. However, British Gas's contractors refused to come out again. They said they'd already attend three times and that the work they'd done in 2016 wasn't actually covered under the policy, as the pipe had not been lagged and the policy specifically excludes cover for unlagged pipes that are buried in concrete, as hers was. There was some further discussion between Mrs F and British Gas and I understand it did inspect the damage.

Mrs F says the pipes were lagged but on 23 December 2017, she had the repair work done at her own expense, as British Gas had still not confirmed what it was going to do. In January 2018 it confirmed its position that the pipe isn't covered.

British Gas has provided some photos of the pipe which show there is no lagging. It says therefore that it is not covered as it would be a pre-existing fault.

"Pre-existing faults

Our products don't include 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.*
- We've told you about before and you haven't fixed*
- We couldn't reasonably have been expected to know about before. For example, faulty pipes that don't have the correct protection, which are buried under concrete floors.*
- Or, prevent access because a part of your system has been permanently built over."*

It does however, acknowledge that Mrs F was given some mis-leading information and that some appointments had to be rescheduled and so it offered £120 compensation.

Mrs F is extremely unhappy with this. She says that she received three different explanations as to why the repairs would not be covered before having the repairs done herself. Mrs F has also made a number of other submissions, which I've summarised below:

- The pipes were lagged and she has provided photos which shows traces of lagging fibre still underneath the pipes.
- The pipes were laid by a previous owner and may have been leaking slowly for many years.
- British Gas initially said she wasn't covered, as she'd had three call outs for the same pipes, which isn't correct. The first visit a central heating pipe was cracked by the operator's chisel, and this did not restore our original problem. The second visit did uncover the correct pipe but again the operator's chisel cracked the pipe and once fixed it didn't resolve our issue. The third visit found the problem and the issue was fixed.
- She was told repeatedly not to get the repair done herself as that would invalidate her cover.
- The repair that was finally done failed but the contractor said that repair had been done as a "gesture of good will" and so didn't come with any guarantee and refused to come and rectify it.
- If the contractor knew her pipes weren't lagged in 2016, why was she never told about this before November 2017?
- As the pipes aren't covered, she's effectively been paying insurance for nothing.
- The delay in having the pipes repaired has caused additional damage to her property.

One of our investigators looked into the matter. He didn't consider that British Gas should have done any more to repair the pipes. However, the investigator did consider that British Gas had taken too long to deal with the matter and that if it had told Mrs F earlier that it couldn't do the repair under her policy, she could have arranged her own repair a lot sooner. Mrs F was without a properly working boiler during this time and this caused an increase in her bills and resulted in a home insurance claim for the damage done to her home. Though Mrs F was told on a number of occasions that the claim would not be covered, British Gas sent engineers to inspect the damage meant there was confusion about whether it might be covered under her policy.

The investigator didn't think he could recommend any award for the damage to Mrs F's home, as there would have been damage due to the initial leak anyway and there was no convincing evidence that the delay had caused additional avoidable damage; and her home insurer had covered the repairs required in any event.

The investigator recommended, however, that British Gas pay the sum of £300 for the distress and inconvenience caused by the delays in handling the claim.

Mrs F accepted the investigator's assessment but British Gas didn't. It says that the compensation he has proposed is excessive and the £120 it has already paid is sufficient redress for the confusion it caused.

As the investigator was unable to resolve the complaint, it has been passed to me.

my findings

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

The policy does exclude pipes that are not protected properly and buried in concrete. I understand that to be protected properly, they should be lagged.

Mrs F says the pipe was lagged. However, while the photos that Mrs F has provided do show a few strands of fibres in the vicinity of the pipe and some underneath the pipe, it is difficult to conclude from these photos that the pipes were lagged properly.

I am therefore satisfied that British Gas was entitled to refuse to repair the pipe. Mrs F should of course have been told this in 2016 and the work should not have been done then but the fact it did work on the pipes when it could have refused, doesn't mean it is obliged to do so again.

I can see that also part of Mrs F's complaint is that the work done then wasn't satisfactory and the leak recurred. I have no convincing evidence however, that this was as a direct result of any error or wrongdoing on the part of British Gas.

However, I agree with the investigator that its handling of the claim was not acceptable and that a payment of compensation is warranted for that.

British Gas can't provide evidence of all the conversations it and its contractor had with Mrs F. However, I can see that she was given different reasons why the pipework wasn't covered. There's also no evidence that she was told in 2016 that the pipes weren't actually covered and wasn't given the option to get them lagged at the time before British Gas's contractor re-laid the concrete.

I'm satisfied that Mrs F would have got the work done herself a lot sooner, if British Gas had told her earlier than it did that it would definitely not cover it. As a result of its prevarication, she was caused distress and inconvenience which could have been avoided. I agree with the investigator that the sum of £300 is appropriate to reflect this and the handling of the claims.

my final decision

I uphold this complaint against British Gas Insurance Limited and require it to pay Mrs F the sum of £300 compensation for the distress and inconvenience caused by its handling of this matter.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 21 October 2018.

Harriet McCarthy
ombudsman