

complaint

Mrs T complains that British Gas Insurance Limited failed to repair a leak properly, and this caused damage to her home.

background

I issued a provisional decision on this complaint earlier this month. An extract of the provisional decision follows:

Mrs T called British Gas to make a claim on her home emergency policy relating to a leaking toilet. The engineer who attended said there had been a previous leak which had damaged the ceiling in the room below. He isolated the leak but said there were problems with the way the toilet had been installed, and these issues wouldn't be covered under the policy.

A few days later Mrs T called again, saying she couldn't flush the toilet, and there was still a leak. Another engineer visited. He said the previous attempt to isolate the leak hadn't been successful and did some further work to cap the water feed to the toilet.

Mrs T complained about the work. She said British Gas had failed to deal with the problem and had in fact made it worse; due to the ongoing leak after the first visit, there had been extensive damage to her property.

British Gas said the damage had already been caused before the first visit. It said the problems were related to the poor installation of the toilet and recommended that Mrs T replace it with a new toilet. But it accepted that the further leak after the initial visit had made things worse. It offered £100 compensation for the additional water damage and £150 for the distress and inconvenience caused.

Mrs T complained to this service. Our adjudicator thought British Gas should increase the compensation for distress and inconvenience to £300, and pay for the additional damage caused as a result of the ongoing leak.

Mrs T provided a quote from her own contractor for the damage. British Gas disputed the amount claimed. As there was no agreement, both parties agreed to a further report being provided by a loss adjuster. The report concluded that all of the damage was caused before the first engineer's visit. British Gas says that on the basis of this report it shouldn't be responsible for any of the damage. Mrs T disagrees and says her contractor's report should be preferred. As there's no agreement the matter has been referred to me for a final 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.

Although British Gas says much of the damage was caused by leaking water before the first call out, it did initially accept that the actions of the first engineer had made this worse. Mrs T's contractor says all the damage is due to the failure to deal with the problem at the first visit. The loss adjusters say none of the damage is down to British Gas' engineers and it was all caused by earlier leaks. So the evidence is contradictory – there's no agreement

between the parties or any of the people who have inspected the property about what caused the damage.

The loss adjusters are independent, so their report carries some weight. But British Gas arranged for several inspections and accepted that there was further water damage after the initial visit. So I find it difficult to accept that all the damage was caused by earlier leaks. Looking at all the evidence, I think on balance there was some further water damage after the initial visit.

Equally, I don't agree with Mrs T's contractor that all the damage was caused after the first visit. He says the previous leak had been rectified and didn't cause any damage. I find that hard to accept. There seems to be some contradiction in his comments. He has said there was no second leak and all the damage was caused by the initial leak not being dealt with at the first visit. He also says the leak between the first and second visits caused "the majority of the damage..." which suggests some damage was caused at another time. Looking at all the photos and other evidence, I don't think there's any doubt there was a water leak before the first call out. British Gas has pointed to evidence of previous water damage and pointed out that when the first engineer attended, the toilet had been stripped. So there must have been problems already. And it has raised other concerns about the nature and extent of the work being carried out by Mrs T's contractor.

Taking all the evidence into account, I think on balance it's likely there was some water damage before British Gas attended, and the steps taken at the first visit failed to stop the problem, which meant there was some further leaking.

I've also taken into account the evidence about the way the toilet was installed. This is likely to have contributed to the problem. And the terms of the policy are clear that British Gas is not responsible for problems caused by someone else's poor installation.

So I think it's right that British Gas should contribute something towards the cost of the repairs. With contradictory evidence, it's difficult to decide on an amount – I can't be sure what damage was caused before the first visit and what happened after. I think the best I can do is recommend a reasonable contribution for what in my view was a relatively modest amount of additional damage. The total cost of the work being done is around £3,300. British Gas originally offered £100, but in my view that was too low. I think a contribution of £500 would be fair.

I also think the fact that things weren't resolved caused Mrs T some additional distress and inconvenience, for which compensation of £250 should be paid.

my provisional decision

My provisional decision is that I intend to partly uphold the complaint and direct British Gas Insurance Limited to pay compensation of £750.

developments

Both parties have replied to the provisional decision. Mrs T had no further comments to add. British Gas has made some comments, including:

- the estimate for the works include both the repairs to the damage to Mrs T's home and the repairs to the toilet, but doesn't break these down;

- it has concerns about the work being done, some of which seems to be required due to general damp issues in the property;
- the costs of the different works need to be broken down before it's possible to assess what its contribution should be;
- even if this leak hadn't happened, there would have been some work needed in any event, to deal with the earlier damage;
- another contractor should be asked to provide an independent quote, with a full breakdown of costs, so that the contribution can be assessed properly.

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 note what British Gas says about the extent of the damage. It doesn't think the payment I recommended can be justified without a more detailed breakdown.

I acknowledged in my provisional decision that British Gas had concerns about the extent of the damage, and said I couldn't be certain what caused all the damage or when it happened. There have already been various inspections and no agreement was reached about this. In my view, arranging a further visit will simply lead to more delay, and there's no guarantee another contractor could be certain how much of the work is due to what happened at the initial visit, and how much to other issues.

I said it would be reasonable for British Gas to pay a modest contribution to the total cost and that's still my view. Bearing in mind the full cost of the work is around £3,300, the contribution I suggested is less than 20% of the full cost. I think that's a fair contribution for British Gas to pay. Having considered British Gas' comments carefully, I see no reason to change my provisional conclusions.

my final decision

My final decision is that I partly uphold Mrs T's complaint and direct British Gas Insurance Limited to pay compensation of £750.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 20 October 2016.

Peter Whiteley
ombudsman