

complaint

Mrs T complains that British Gas Insurance Limited ("BGI") failed to trace and rectify a leak in her central heating system when she called on it under her home emergency insurance policy. As a result she had to employ her own contractors at considerable expense to do this.

background

Mrs T contacted BGI in February 2018 under her home emergency policy. She complained of fumes/gas smell and that her boiler was losing pressure. BGI's engineers attended several times but this continued for three months. BGI said there was a leak somewhere in the system. One small leak was found but the loss of pressure continued.

BGI's leak detectors dug a three meter trench in her living room without finding a leak. At this stage Mrs T lost faith in BGI and instructed her own leak detectors and heating engineers. They found that the problem was a leak in the heat exchanger in the boiler, which BGI replaced in April 2018.

Mrs T complained to BGI that over a long period it had failed to find the source of the leak, during which she and her family had limited hot water and heating during an exceptionally cold time of year. She asked BGI to reimburse what its failure to find the source of the leak had cost her as follows:

<i>Independent Gas Trace</i>	<i>£786.00</i>
<i>Independent heating engineer</i>	<i>£330.00</i>
<i>Time taken from work for various trades 18 days@ £40 per day</i>	<i>£720.00</i>
<i>Cost to reinstate property</i>	<i>£890.00</i>
<i>Laminate flooring</i>	<i>£350.00</i>
<i>Skirting tiles</i>	<i>£ 25.00</i>
<i>Total</i>	<i><u>£3,101.00</u></i>

When BGI didn't respond she complained to us.

Our investigator thought BGI had made errors in failing to find the cause of the leak at the outset. The result was disruption, distress, and inconvenience for Mrs T and her family for a considerable period. This included her living room floor being dug up.

BGI had offered £30 for its delay in responding to Mrs T's complaint. In addition the investigator recommended that BGI reimburse the costs Mrs T had claimed plus interest. He also said it should pay her compensation of £500 to acknowledge the significant distress and worry its actions had caused her.

BGI didn't accept the investigator's recommendation. It said an initial leak had been found and repaired. Its contractors' tests indicated that further access would have to be made under the floor. At that stage Mrs T decided to employ her own contractors who found the fault was with the heat exchanger in the boiler and made good the floor.

BGI didn't agree that the sole fault had been in the heat exchanger all along. It said its contractors had carried out the correct tests and had found one leak. It wasn't responsible for Mrs T's decision to employ her own contractors.

Our investigator said his view remained unchanged. BGI's engineers had said on more than one occasion that there was no problem with the boiler. But when the heat exchanger was fixed, the problem ceased. He thought Mrs T had acted reasonably when she at last decided to employ her own contractors.

As BGI hasn't accepted this view, this complaint has been passed to me to issue a decision.

my findings

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

Although there may have been a small leak at one stage which BGI's contractors found and repaired, I accept that:

- the main leak which caused the problems over a long period was in the heat exchanger;
- BGI consistently failed to locate the source of this leak;
- Mrs T's contractors did; and
- when the heat exchanger was fixed the problem of leaks stopped.

Like the investigator, I find that Mrs T acted reasonably in incurring the expenses she did, and it's fair and reasonable that BGI should reimburse those expenses totalling £3,101 plus interest, as well as paying her £30 for its poor response to her complaint, and £500 compensation for the distress and inconvenience its actions caused her.

my final decision

My decision is that I uphold this complaint, and order British Gas Insurance Limited to:

1. reimburse Mrs T the expenses totalling £3,101 set out above;
2. pay Mrs T interest at the annual rate of 8% simple on each of those expenses from the respective dates each was incurred until settlement; ⁽¹⁾
3. pay Mrs T £30 for its poor response to her complaint; and
4. pay Mrs T compensation of £500 for the distress and inconvenience its actions caused her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 1 March 2019.

Lennox Towers
ombudsman

(1) If BGI considers that it's required by HM Revenue & Customs to withhold income tax from that interest, it should tell Mrs T how much it's taken off. It should also give Mrs T a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue and Customs if appropriate.