

## **complaint**

Mr T complains that British Gas Insurance Limited's (BG) failure to properly repair a leak under his Homecare insurance policy caused damage to his home. He also complains about BG's service. My references to BG include its agents.

## **background**

On 13 April 2018 Mr T contacted BG when he discovered water coming through his dining room ceiling from a leaking emersion tank. BG's contracted engineer didn't attend in the arranged time slot and arrived about an hour later that day only when Mr T complained.

BG's engineer stopped the leak by emptying the tank and turning off the hot water. He said a replacement tank was needed and would be replaced the following week.

On 14 April 2018 at around 11pm Mr T arrived home to find a leak. He's told us that the main damage to his home happened then. He says BG is responsible for the damage to his ceiling, carpet and furniture because it should have done a proper repair to prevent the second leak happening.

BG's final response letter to Mr T said it wasn't responsible for the damage because the areas had already been damaged by the first leak. It also said the second leak had occurred because there was a hole in the coil in the cylinder of the tank causing the tank to refill and overflow again. The engineer couldn't have known about the hole as the coil isn't visible. So BG didn't accept its first engineer carried out poor work. But BG did accept it had given poor service and delayed. It offered £100 compensation for Mr T's distress and inconvenience.

Mr T complained to us saying BG had accepted liability for the damage in a call. Its £100 offer wasn't enough for the cost of repairing the damage, the stress caused by BG's very poor service and his loss of income when he had to stay at home several days for BG to sort out problem.

Our investigator thought BG wasn't responsible for the damage, but BG's offer of £100 wasn't enough compensation and it should pay £400.

Mr T said he reluctantly agreed the recommendation for £400. He still strongly believed BG was responsible for the damage. BG didn't agree and offered £200 which Mr T refused.

## **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 partly uphold this complaint. I think BG isn't responsible for the damage to Mr T's home but its £100 compensation offer isn't fair. It must pay £400 compensation in total. I'll explain why.

### *responsibility for damage*

The policy says BG isn't responsible for:

*'any loss of or damage to, or cleaning of property, furniture or fixtures as a result of your boiler, appliance or system breaking or failing unless we caused it. For example damage caused by water leaks'.*

Mr T has sent us photos showing the damage to his property. But looking at those and taking into account all the information he's given about the damage there's no clear evidence that most of the damage did occur due to the leak on 14 April.

Mr T told us the initial leak didn't cause much damage. He said:

*'There was a very small stain on the dining room ceiling, plus the carpet in the airing cupboard was wet. The water had leaked into the void space between the floor and the ceiling from the airing cupboard ...*

*When the initial repairs were made good, we had taken out the damp piece of carpet (it was stained badly), and emptied the contents of the cupboard (clothes wise), but there was no material damage to the clothes...*

*The majority of the damage occurred with the secondary leak on the following day when we weren't in the property (as the photos ... I sent you show)...buckets all over the floor, on the table, plus the wet dining room chairs, the wet carpet, and the now very big water marks on the ceiling, plus the hole in the ceiling where the water was then pouring down from above.'*

However in Mr T's detailed letter of complaint to BG dated 24 April 2018 he said:

*'On Friday 13th April, I woke up at 6.00am to discover that I had water coming through my dining room, which I realized was coming from the Airing Cupboard. On closer inspection I could see a large pool of water under the carpet in there... In the meantime I had 3 buckets collecting the water, a hole in the dining room ceiling, and soaking wet carpet.*

*The following day (Saturday 14th April)...In coming back to the house at 11pm, I opened the front door to the sound of water once again pouring out of through my dining room ceiling.'*

Based on Mr T's earlier description of the damage at the time and the photos I think BG can reasonably say there was no new damage caused to his home by the 14 April leak.

Even if there had been evidence that much of the damage occurred due to the 14 April leak, BG says its repair of the first leak was reasonable as its first engineer couldn't have known about the hole in the coil. I don't have any expert evidence to the contrary. So on the evidence I have BG's first engineer did a reasonable repair of the leak on 13 April.

Overall, on the available evidence I think BG isn't responsible for the damage to Mr T's home.

service

BG accepts its service was poor and it delayed. But its new £200 offer isn't enough for all the distress and inconvenience it caused Mr T.

Mr T has detailed the events and many phone calls he made to BG to try to have his claim resolved and his complaint responded to. He was extremely frustrated by BG's lack of response, and I think reasonably so. Mr T made a formal complaint on 24 April 2018 but BG

didn't send a final response until 24 August 2018. Part of the delay was due to BG contacting the wrong department of its agent which reasonably shouldn't have happened.

Mr T says that in the meantime time he was given assurances by BG that it would cover the damage. BG's note of its call with Mr T on 25 July 2018 says BG will take ownership of some of the damage, so I think it's probable BG gave that assurance. Although I think BG fairly didn't accept liability when it reviewed all the evidence, its assurance to Mr T meant he had considerable loss of expectation. Understandably he was very annoyed and frustrated as to why BG had charged its mind which BG could have easily avoided.

Mr T says he lost four days' income as a result of BG's poor service. He would have had to take some time off for the repair work to be done anyway and, as I've said, the evidence is that BG's repair of the first leak was reasonable. Our investigator asked Mr T to submit evidence as to why he couldn't work from his home office, which Mr T hasn't provided. Also I don't generally award compensation specifically for lost income unless there's a particular reason to do so and I don't think there is in this case.

I think compensation of £400 is reasonable for Mr T's overall distress and inconvenience caused by BG. For the avoidance of doubt I'm awarding a total of £400 inclusive of the £100 BG's already paid to Mr T.

#### **my final decision**

I partly uphold this complaint.

I require British Gas Insurance Limited to pay Mr T £400 compensation in total for his distress and inconvenience within 28 days of us telling it that Mr T accepts my final decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 2 October 2019.

Nicola Sisk  
**ombudsman**