Financial Ombudsman Service

complaint

Mr G complains that British Gas Insurance Limited ("BGI") failed to investigate and stop a leak from his central heating boiler which he reported to BGI under his home emergency insurance policy. The leak later worsened and caused damage to his home.

background

In August 2018 Mr G contacted BGI to arrange a service for his boiler. He was asked if there were any issues with the boiler and said he thought there was an intermittent leak as on occasions he had seen water drop damage to a wicker basket under the appliance. He mentioned he also had to refill periodically the expansion tank for the system.

A BGI engineer arrived as arranged on 3 September 2018. Mr G explained again about the leak. The engineer opened the boiler casing and noted there was rust damage to the bottom of the case. He said there must have been a leak but he couldn't see anything at the time of the service. He replaced an electrode gasket, cleaned and tested it, and left.

Mr G went on holiday on 17 September 2018, returning on 2 October 2018. He found that during the 14 days he had been away the boiler had leaked and had damaged a section of his new kitchen floor. He immediately contacted BGI.

The engineer it sent said the leak was coming from a bolt on the heat exchanger. He thought that this had been leaking for some time due to the rust damage present. The heat exchanger was replaced on 5 October 2018. But a further visit was needed on 10 October 2018 to change a faulty flow switch.

Mr G complained to BGI. He thought the first BGI engineer should have found the leak on the service visit. If he had, and had rectified it then, the damage to his floor wouldn't have occurred. He thought BGI should pay him the cost of rectifying this damage which he estimated at £150.

BGI didn't accept his complaint. It paid him £30 in recognition that more than one visit was needed to complete the change of the heat exchanger. However the engineer who attended on 3 September 2018 said there was no sign of a leak when he was there. And the work he carried out replacing the electrode gasket was unconnected to the heat exchanger leak found on 5 October 2018.

BGI pointed to the following exclusion in the policy terms and conditions:

"Any other loss or damage

We're not 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."

So it said BGI wouldn't accept responsibility for the damage caused by the leak.

Our adjudicator recommended that this complaint should be upheld. She accepted Mr G's evidence that when he arranged the first visit he had told BGI that his boiler had a leak. BGI said its first engineer said there was no leak present when he visited.

However the adjudicator thought that in view of what Mr G had told both BGI and him, the first engineer should have done more to investigate what was causing the leaking. If he had done so, she thought Mr G wouldn't have suffered damage to his floor.

Mr G said the first engineer told him rust damage was present at the bottom of the boiler case and there must have been a leak. A month later the second engineer said the heat exchanger needed to be replaced as this was where the leak was coming from. Due to the rust damage he felt it had been leaking for some time.

The adjudicator thought BGI was aware of the leak and could have done more to prevent the damage to Mr G's floor. She recommended that BGI pay Mr G compensation of £150, in addition to the £30 it had already paid him.

Mr G accepted the adjudicator's recommendation. However BGI responded to say, in summary, that:

- the work the first engineer carried out was unrelated to the heat exchanger and the later leak that was found;
- the first engineer couldn't find a leak in spite of carrying out thorough checks, including removing the casing. This would have included checking the heat exchanger;
- a period of two weeks then passed before Mr G went on holiday, during which he didn't report any leaks; and
- when the second engineer attended on Mr G's return from holiday he found a heat exchanger leak which wasn't present on the earlier visit.

So it didn't think it was responsible for Mr G's damage.

my findings

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

Mr G told BGI he was experiencing an intermittent leak when he booked the first visit. He told the first engineer when he came. The first engineer found evidence of leaking at the foot of the boiler casing, although the leak didn't seem to be present at the time of the actual visit.

In these circumstances I think, like the adjudicator, that the first engineer should have done more to investigate where the leaking was coming from. If he had done so, I think it's more likely than not that the fault in the heat exchanger would have been discovered then, and the damage which Mr G's floor suffered would have been avoided.

I think it's likely that the actions of the first engineer resulted in the damage to Mr G's floor. So I think it's reasonable that BGI should pay Mr G compensation of £150 for this damage, in addition to the £30 it has already paid him.

my final decision

My decision is that I uphold this complaint, and order British Gas Insurance Limited to pay Mr G compensation of £150 for the damage to his floor, in addition to the £30 it has already paid him.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr G to accept or reject my decision before 19 October 2019.

Lennox Towers
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