

complaint

Mr H's complaint is about the handling of a claim under his central heating insurance policy with British Gas Insurance Limited.

background

Mr H made a claim under his policy with British Gas on 23 January 2019, as there was a leak from his water cylinder. British Gas sent one of its contractors out the same day. He said a new pressure relief valve was needed and he'd be back within two days once he was able to get the part.

The contractor didn't come back and Mr H had to chase up the repair on 28 January, 20 February and 28 February 2019. In the February calls, Mr H said the leak had been left ongoing since he reported it and had now caused the carpet and floorboards to become sodden and water was going through the ceiling to the room below.

During his second visit the engineer found that the replacement valve wasn't needed as the source of the leak was a split in the cylinder instead. It took two more weeks to obtain a new cylinder. There were apparently attendances on 20 and 22 February 2019 but the contractors couldn't do anything, as they didn't have the replacement cylinder. There was then a failed attendance on 28 February 2019 and the cylinder was finally replaced on 1 March 2019.

Mr H is very unhappy with the handling of the claim. Mr H says he was eventually told that the leaking water cylinder had been incorrectly installed by British Gas in 2012, and the expansion vessel was also set too low, and this was the cause of the leak. He thinks the cylinder might have been leaking intermittently since it was installed. Mr H wants British Gas to repair the water damage to his home, as its delay in replacing the cylinder meant the leak continued for much longer than necessary.

British Gas says the valve was out of stock and so its contractors had to wait two weeks for this and then the cylinder also took two weeks, as it was a specific size. It says it can't be responsible for parts being unavailable and the policy doesn't provide any deadlines or specific dates for parts to be available, so is not responsible for the time taken waiting for parts. It was called out to a leak that was not its fault and which had already caused damage to the property. Water was already reported as coming through the ceiling and "*something cannot be damaged more than once*". Mr H should claim under his home insurance for the damage caused by the leak, as this was the result of the original leak and not its responsibility. British Gas did, however, offer £100 compensation for the delay and misdiagnosis.

British Gas also says that while it accepts that the cylinder was not installed correctly in 2012 and one of its contractors said this was the cause of the leak, this has been reviewed by senior managers and they don't agree it was the cause of the leak. British Gas says that any leaks caused by the poor installation would've happened sooner and Mr H would have noticed pressure problems as a result. British Gas says the cylinder split because of general wear and tear and degradation over time, not because of the poor installation.

One of our investigators looked into the matter. She didn't think British Gas had done enough to prevent further damage to Mr H's property. It had misdiagnosed the cause of the

leak and there were considerable delays in repairing the problem, which she thought would have caused further damage, as well as a lack of communication with Mr H.

The investigator also concluded that British Gas had not done enough to establish that it was not responsible for the original leak. She said its records show British Gas attended a couple of times since 2012 to attend to pressure issues with the cylinder and boiler. She wasn't satisfied that British Gas had done any investigation into whether there were previous leaks or problems performance as a result of the poor installation, and it was not enough to say that there would have been noticeable leaks earlier than 2019.

The investigator recommended the British Gas pay Mr H £200 compensation for the stress and inconvenience caused and either carry out the repairs to his property, or pay the cost of the repairs. She said this should include replacing the flooring under the cylinder, to ensure there are no gaps or residue moisture.

Mr H accepts the investigator's assessment (except he says he does not want British Gas carrying out the work required) but British Gas does not. As the investigator was unable to resolve this 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.

It took from 23 January 2019 to 1 March 2019 to repair a leaking cylinder. The leak was ongoing all this time. British Gas says Mr H signed a declaration at the end of February 2019 that he didn't want it to remove the old leaking cylinder (as it would mean he'd be without hot water) pending replacement but this does not absolve British Gas of all responsibility for any damage caused by the ongoing leak (which by then had already been continuing for a month anyway).

I have seen no reasonable explanation why it took so long to properly diagnose the problem and replace the cylinder. There was a two week wait for the pressure relief valve. British Gas says this was out of stock and so this delay was out of its control. However, I've seen no evidence that British Gas tried to get this from any other stockists and of course it was not needed, as the problem had been misdiagnosed. So this delay was avoidable.

It then took another two weeks to get the replacement cylinder, once British Gas realised this was what was needed. The new cylinder apparently had to be made, though again I've seen no convincing evidence of this. But, even if I accept this two week wait was unavoidable, overall it took just over five weeks to resolve the leak. And then the replacement cylinder was positioned on top of damaged flooring.

There may have been damage already caused by the initial leak but I consider it would have become worse given how long it was left ongoing and it seems the leak became worse as time went on. I say this because in the first call Mr H made to report the claim, he says water was coming through the ceiling "*not lots and lots but some water coming through the ceiling*". Then in a call on 20 February 2019 to chase up the repairs he says the carpet in the cylinder cupboard is sodden. He said the leak had come through the ceiling a bit when he first reported the claim but then stopped and was intermittent for a while.

In addition, the engineer that replaced the cylinder said it had been installed incorrectly during a previous claim in 2012 and this is the reason why it had failed and was leaking in January 2019. British Gas now disputes what its own engineer said about this and says that any problems resulting from the poor installation of the cylinder would have been apparent much sooner. I don't accept this as a blanket statement.

The cylinder was installed at an angle and with the pressure relief valve too low and also at an angle. It seems to me this could create stress on the cylinder that over time has caused it to split. The cylinder was seven years old at the time of this claim and it is unusual to split under normal use in this way without something to precipitate that.

I also note that British Gas's records show that the pressure relief valve on the cylinder was replaced in 2014, and there was an attendance for a pressure issue with the boiler, which would indicate the kind of issues that British Gas says would have been apparent if the leak had happened earlier.

It is difficult for me to be sure about the cause of the initial leak but I think overall there is sufficient evidence that it was caused by the installation. I am more persuaded by the word of the expert engineer that attended and saw the cylinder in situ than managers at British Gas.

But, even if I disregard the installation of the cylinder as the possible cause of the leak, as stated above, the leak was left continuing unabated for over a month, which I consider to be avoidable. This will have inevitably made the water damage worse than when it was first reported on 23 January 2019.

I therefore agree that British Gas should pay for the repairs to the damage caused by the leak. It is entirely unsatisfactory for British Gas to push Mr H to make a separate insurance claim under another policy for this. Mr H does not want British Gas's contractors to carry out the work required, which is understandable. He has not however provided any quotes for this work from his own contractors. The parties will therefore have to agree any quote before reimbursement can be made. For the avoidance of doubt, I consider the quote should include repairing the water damage to the ceiling below the cylinder, repairing the water damaged flooring under the cylinder and positioning the cylinder properly on a level platform or base. It would seem sensible for Mr H to obtain at least two quotes, which can then be discussed with British Gas.

I also agree that the £100 offered by British Gas does not adequately reflect the trouble caused to Mr H, including the delays; the additional avoidable appointments; one missed appointment; having to chase up British Gas and having to deal with the damage to his property.

Mr H had asked for £200 and the cost of the repairs to his property. I consider that £400 is more appropriate.

my final decision

I uphold this complaint against British Gas Insurance Limited and require it to do the following:

- pay Mr H the sum of £400 compensation for the distress and inconvenience caused by its handling of this matter, including the delays in attending to the leaking cylinder and the fact he has to now repair the damage to his property; and
- reimburse the costs of repairing the flooring and ceiling below the cylinder, upon production of suitable invoices and agreement between the parties on the costs to be reimbursed beforehand.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 2 November 2020.

Harriet McCarthy
ombudsman