

## **complaint**

Mr Y complains that British Gas Insurance Limited didn't act fairly or reasonably when dealing with his heating system under his home emergency insurance policy. He wants compensation.

## **background**

Mr Y had a home emergency policy with British Gas. He said that its engineer attended to due to a drop in pressure and thought it was due to a leak in the heating pipes. But the engineer couldn't find the leak, so Mr Y said the engineer re-pressurised the system to find the leak and told him to contact British Gas when it appeared. Mr Y said that signs of a leak did appear several months later and five times an engineer was booked to come, but cancelled or rescheduled (when Mrs Y had taken time off work). Mr Y said that a wall was covered in mould and he wanted British Gas to pay compensation for the damage caused by its delays, including the unnecessary cutting of a wooden floor and failure to replace decorative covers.

Mr Y complained to British Gas. It said that its engineer couldn't find a leak and fitted a pressure-reducing valve to the heating filling loop to do so with Mrs Y's consent. British Gas said the next visit was about five months later due to damp being found on the walls and accepted that the repair work wasn't completed for another two months. It said that the leak wasn't detectable when British Gas visited and wasn't caused by its staff, and Mrs Y had signed a damage waiver form. But British Gas did pay £200 as a gesture of goodwill as visits by its engineers were rescheduled and not always productive. It also said Mr Y should claim under his home insurance and his insurance company could pursue the matter.

Mr Y complained to us, explaining that he was unhappy that despite reporting the leak, it took so long for someone to detect and repair it; Mr Y was also unhappy about the standard of the work done. The investigator's view was that the damage done to the floor was necessary to access the leak, and the terms and conditions of the policy says that British Gas wouldn't replace or repair a surface or covering. She said this meant that all British Gas had to do was "make good" and she was satisfied that it had done so in respect of the floor and decorative cover.

But the investigator thought that the damage to the wall was worsened by the delay between 20 June and 16 August 2018. The only way to find the leak was to wait until it appeared and Mr Y did promptly report it to British Gas in the investigator's view. She didn't accept that Mr Y caused the delay. The investigator said that British Gas should pay for the damage suffered by the wall and the costs of redecorating caused as a result (by paying the cheapest of three quotes obtained by Mr Y).

Mr Y disagreed as he said that the floor was unnecessarily damaged and supplied two quotations for the work the investigator recommended was carried out. He also said that another leak had been found. British Gas said that the leak wasn't caused by it and it was for the consumer to mitigate any water leak – it believed that the leak must have been present for longer than Mr Y had admitted. The investigator said that she accepted Mr Y's evidence that he told British Gas about the leak when he first saw it and she believed the delays after the leak was reported made the damage worse. Mr Y said that the leaks were continuing and the whole wall was now ruined.

## **my provisional decision**

In my provisional decision, I said:

*“I cannot resolve the events that have happened since the complaint was first made (the further leaks); these have not been investigated as part of this complaint. But I can bear in mind that the situation has now changed in terms of any redress that I may require as the investigator was dealing with a situation where the leak had stopped and only wallpapering was required.*

*Dealing first with Mr Y’s complaints about the work done in relation to the floor and decorative covers, I think that British Gas has acted fairly and reasonably. It isn’t possible to access leaks within a wall without doing some damage. All that the terms and conditions of the policy require is that the damage is “made good”, but surfaces and coverings are expressly stated to be items that will not be repaired or replaced. I have noted what Mr Y had said about how the floor was removed and that there might’ve been another less damaging option, but British Gas said in the policy was clear that it would not guarantee anything in respect of the floor.*

*This leaves the issue of the wall. There are several disputes between the parties about this issue, though both accept nothing could be done until the leak was located. British Gas says that Mr Y didn’t call it promptly; Mr Y says that he did and the damage was caused by the delay between him contacting British Gas and someone attending to repair. I note that the wallpaper of the room affected might have caused some delay in spotting the leak (and the wallpaper apparently can’t be replaced and spreads into a connected room). Given the records of the calls made by Mr Y trying to get someone to promptly attend his property, it’s not likely in my view that he spotted the leak and ignored it. British Gas hasn’t given any reason why it thinks Mr Y delayed reporting the leak, or why he would’ve done so. Equally, though given the revelation that there are other leaks in the wall, I can’t say that all the damage identified was caused by the delay in repairing the original leak.*

*And I think regardless of delay, the wallpaper was also going to have to be removed once the leak was spotted due to the water marks. The evidence doesn’t support the view that the delay caused any additional damage or added to the costs Mr Y would’ve incurred anyway in fixing the leak. Mr Y in his evidence to this service has shown that he is keen to have his property decorated to a high standard. It’s also Mr Y’s choice to have the same wallpaper in two rooms, so I can’t say that it’s fair and reasonable for the costs of wallpapering both rooms to be borne by British Gas. With the news of further leaks, it seems to me that if British Gas had attended promptly, the wallpaper was always going to be removed (and if it wasn’t done due to the original leak and the water marks, it would’ve happened due to the further leaks). This means I don’t think it’s fair or reasonable for the redecoration costs to be paid by British Gas – it didn’t cause the original leak and the wallpaper was likely to be removed due to the water marks and then the further leaks. I also note that the terms and conditions of the policy don’t cover the costs of wallpapering.*

*But I do think British Gas, as it accepts in its response to Mr Y, did act unfairly and unreasonably in dealing with the leak once located. Much of its own evidence shows that it took about five weeks to arrange for someone to attend and the repair work took longer as a result. Appointments were rearranged/cancelled and even British Gas described some of the earlier visits as unproductive. Mr Y ended up repeatedly contacting British Gas to try and get someone to attend. I don't think £200 reflects the trouble and upset he suffered, particularly as he was understandably concerned that delay was causing further damage. While money never truly compensates for trouble and upset suffered, I think £400 compensation is fair and reasonable in this case."*

### **my findings**

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

Both parties disagreed with my provisional decision. British Gas simply said that it felt £200 compensation was sufficient in all the circumstances. Mr Y said that he totally disagreed with my comments. He was of the view that if British Gas had turned up at his property earlier, the wall paper wouldn't have been damaged. No further information about the current position with the further leaks was given.

I've considered carefully the evidence and the comments received. British Gas hasn't given any additional reasons as to why it thinks my provisional decision is incorrect; I've already considered what it said previously. Mr Y didn't comment on my proposed award for trouble and upset, and I remain of the view that £400 compensation is fair and reasonable for the reasons given in my provisional decision.

In my provisional decision, I said "*With the news of further leaks, it seems to me that if British Gas had attended promptly, the wallpaper was always going to be removed (and if it wasn't done due to the original leak and the water marks, it would've happened due to the further leaks)*". I remain of the view that this comment is more likely than not to be correct; whether or not British Gas initially arrived at Mr Y's property promptly is irrelevant as the wall is now "*ruined*" according to Mr Y due to the further leaks, though the initial water marks may well have caused a need to replace the wallpaper in any event. This would've have meant that in any event wallpapering and plastering would be required. I think it's fair and reasonable for me to bear in mind the later events and to conclude that it wouldn't be fair or reasonable for British Gas to pay towards redecoration.

### **my final decision**

My final decision is that I uphold the complaint and British Gas Insurance Limited should pay Mr Y £400 compensation for the distress and inconvenience it caused him. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 27 July 2019.

Claire Sharp  
**ombudsman**