

complaint

Mrs C complains about poor customer service by British Gas Insurance Limited ("BGI") when she called on it under her home emergency insurance policy to attend to a leaking boiler.

background

I issued a provisional decision on this complaint on 22 February 2019, a copy of which is attached to, and forms part of, this decision.

Mrs C accepted my provisional decision, but pointed out that she hadn't cashed the cheque for the £100 goodwill payment that BGI had sent her, and it was now out of date. She has now forwarded the unpaid cheque to us.

BGI responded to say, in summary, that it didn't agree that it should reimburse what Mrs C's plumber had charged. It said the plumber did carry out some work as indicated by his invoice:

"For emergency call out on....14/01/18

To attend to water leak from central heating boiler. Pressure gauge on boiler found to have previously left on far too high. Also pressure release pipework backing into property allowing water to penetrate back into building. Pressure released in interim period to await initial contractors to return."

However BGI did agree to increase its compensation from £100 to £200.

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 did acknowledge in my provisional decision that the plumber did some work. However I agreed with Mrs C that it wasn't significant. He simply tried temporarily to alleviate the water flow from the leak. As his invoice says:

"Pressure released in interim period to await initial contractors to return."

As he wouldn't have been called out but for the misdiagnosis of BGI's first engineer, and he didn't do anything to diagnose or cure the problem, I remain of the view that BGI should reimburse his call out charge.

my final decision

My decision is that I uphold this complaint in part. I order British Gas Insurance Limited to:

1. reimburse to Mrs C the £108 call out charge she had to pay her own plumber; and
2. pay Mrs C £200, inclusive of the £100 it has already offered her, as compensation for the distress and inconvenience its failure to correctly diagnose the fault caused her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 16 May 2019.

Lennox Towers
ombudsman

COPY OF MY PROVISIONAL DECISION OF 22 February 2019

complaint

Mrs C complains about poor customer service by British Gas Insurance Limited ("BGI") when she called on it under her home emergency insurance policy to attend to a leaking boiler.

background

Mrs C moved into her house in 2016. She took out a home emergency policy with BGI to cover the central heating boiler and system that were already installed. In January 2018 she called on BGI

under her policy to fix her boiler which seemed to be leaking into a bedroom and through to the kitchen below.

The BGI engineer who attended on 11 January 2018 said the problem wasn't with her boiler and advised her to call a plumber, as plumbing and drains weren't included in her BGI policy. Mrs C contacted a plumber who came on 14 January 2018 at a call out charge of £108 including VAT. He said the problem was indeed with the boiler and she should call BGI again.

BGI engineers came on 14 and 15 January 2018. They fitted parts and said the boiler was now OK. However on 16 January 2018 Mrs C found one of her radiators was leaking. BGI engineers returned on 16 and 17 January 2018. They fitted another part and replaced the radiator.

Mrs C complained to BGI. She wanted it to pay:

- the plumber's call out charge for the plumber's visit BGI wrongly told her was required;
- the damage the boiler leak caused to her kitchen and belongings; and
- compensation for the distress and inconvenience she had suffered.

BGI said the leak which had caused the damage to Mrs C's property and belongings was due to the way a pressure release valve ("PRV") had been wrongly installed sometime in the past. BGI hadn't supplied the boiler or fitted the PRV, so in accordance with the policy terms it wasn't liable for the resulting failure and damage.

BGI also said that the radiator failed and leaked because it developed a pinhole leak, not because of any faulty workmanship by its engineers. However there had been a number of faults altogether, and it had taken BGI's engineers a number of visits to resolve them all. In recognition of this it paid Mrs C a goodwill payment of £100.

Mrs C didn't accept that this was enough for the problems she had suffered and complained to us. Our investigator didn't recommend that her complaint should be upheld. He said BGI's policy terms had the following provision regarding pre-existing faults:

'Pre-existing faults

Our products don't include cover for any faults or design faults that:

- *Were already there when your boiler, appliance or system was installed, or were caused by anybody other than us when any change or additions were made to your boiler, appliance or system'*

BGI said it wasn't responsible for fitting the boiler or the PRV, and the investigator said there wasn't any evidence to disprove this. BGI also said it wouldn't investigate the PRV during a service visit unless something in its test put it on enquiry. So in accordance with the policy conditions, the investigator couldn't say BGI should be responsible for the damage caused when the PRV failed.

The radiator leak arose from a pinhole leak, and there wasn't any evidence to suggest BGI had done any work on the radiator that would have caused the pinhole leak. He thought the £100 BGI had paid Mrs C was reasonable compensation for the number of visits it took BGI to resolve all the problems.

Mrs C responded to say, in summary, that:

- she thought BGI should reimburse the £108 call out charge she had to pay her plumber because BGI wrongly told her on the first visit that the leak was a plumbing, not a boiler, problem;
- in the time it took from the first visit until the system worked properly the damage to her property got worse; and
- the radiator was in working order before BGI's visits.

The investigator asked BGI if it would reimburse the £108 call out charge. But BGI said that as it seemed the plumber had done some work on the discharge pipe from the PRV to alleviate the water flow from the leak, it didn't agree the visit was unnecessary.

Mrs C didn't agree. She said her plumber charged for the call out and didn't do any significant work. She asked for her complaint to be reviewed.

my provisional findings

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

The main problem affecting Mrs C's system was the failure of the PRV. I have seen nothing to suggest BGI fitted the boiler or the PRV, or should have noticed it was fitted incorrectly in the course of normal servicing of the boiler. So in accordance with the policy terms I've quoted above I can't hold BGI responsible for the failure of the PRV or the damage that resulted from this.

Mrs C has said that when she first called on BGI on 11 January 2018, there was already water damage to her property. I'm satisfied that the first BGI engineer failed to diagnose that the cause of the leak was the PRV on the boiler. Instead he told Mrs C to get a plumber as he thought there was a water leak unconnected to the boiler.

The plumber who attended said there was no water leak and the problem lay with the boiler. I accept Mrs C's evidence that he didn't do any significant work other than trying temporarily to alleviate the water flow from the leak, and that what she paid was his call out charge. So I think it's fair and reasonable that BGI should reimburse this to Mrs C.

BGI's engineers came on 14, 15, 16 and 17 January 2018. They replaced the PRV but then other problems emerged which they dealt with, including the radiator which had developed a pinhole leak. It's not unusual that other problems emerge after the initial one is dealt with. I can't say that the issues that arose after 14 January 2019 were the result of faulty workmanship by BGI's engineers.

The misdiagnosis by the first engineer on 11 January 2018 meant there was a gap between then and 14 January 2019 before BGI started to repair the faults. However water damage had started before 11 January, and continued after 14 January until all the faults were rectified. This damage would have to have been repaired in any event, and I can't say that this damage was significantly increased by this gap.

I do think the distress and inconvenience Mrs C suffered was increased by the misdiagnosis of the first BGI engineer, and then the three day gap during which nothing happened but the leak continued. In recognition of that I think the £100 compensation BGI paid should be increased to £200, inclusive of the £100 already paid.

my provisional decision

For the reasons I've explained, but subject to any further comments and evidence I receive from either Mrs C or from BGI by 8 March 2019, I intend to uphold this complaint in part. I intend to order British Gas Insurance Limited to:

1. reimburse to Mrs C the £108 call out charge she had to pay her own plumber; and
2. pay Mrs C a further £100 compensation, in addition to the £100 it has already paid her, as compensation for the distress and inconvenience its failure to diagnose the fault correctly caused her.

Lennox Towers
ombudsman