

complaint

Mrs A complains about British Gas Insurance Limited's failure to identify a leak in a radiator, causing damage to her parent's property.

The background to this complaint, and my provisional findings, were set out in my provisional decision dated July 2015 as follows:

"background to complaint

Mrs A's parents held a HomeCare Care agreement provided by British Gas Services Limited since 1991. In May 2010, this renewed into a HomeCare Cover insurance policy, underwritten by British Gas Insurance Limited.

Both agreements provide for a service to be carried out annually on the heating system. In August 2011, Mrs A contacted British Gas Insurance to report a leak. An engineer attended and replaced the radiator valves. However, Mrs A complained because she says that British Gas should have spotted the leak during previous annual service visits on the boiler. She says that extensive damage has been caused and she wants British Gas to reimburse the cost of damp-proofing and redecorating.

British Gas investigated the complaint and wrote to Mrs A saying its engineers would have carried out visual inspections during the previous annual services and that it had not been aware of any leak prior to the August 2011 claim.

An adjudicator investigated the complaint and said she didn't feel it would be fair or reasonable to recommend that British Gas should pay for the damage caused.

Mrs A didn't accept our adjudicator's findings and says British Gas should have manually checked the radiators during the annual services to ensure there were no leaks. Mrs A also says her parents had a tacit understanding with British Gas that work would be carried out with care, as they were vulnerable and had been customers of British Gas for 19 years.

my provisional findings

Our jurisdiction to consider complaints is set out in the Financial Conduct Authority's Dispute Resolution (DISP) Rules. These say, amongst other things, that we can only consider complaints about 'authorised persons'.

Prior to 6 August 2009, neither British Gas Services Limited nor British Gas Insurance Limited were regulated and were therefore not 'authorised persons'. This means we have no power to consider any aspect of Mrs A's complaint about events which happened before 6 August 2009.

I can however consider the events that took place from this date onwards. The terms and conditions of Mrs A's policy say that British Gas will:

'arrange to visit your Home in the second and subsequent years of your Agreement to inspect your boiler and controls/gas central heating system/gas appliance (depending on what is included in your Agreement) to help ensure they are safe and in good working order'

The policy also says:

'Unless we cause it, we will not be responsible for any loss or damage to property (including any cleaning needed) or any other type of loss caused by the system or appliance to which your Agreement relates breaking down or being accidentally damaged by you or leaking (for example, damage to furniture caused by water leaks)...'

Therefore, British Gas isn't responsible for any damage caused by the leaking radiator itself - but may be responsible for any damage if it should reasonably have identified and resolved the leak before August 2011.

I can't prescribe what work or checks British Gas should do during an annual service but we would expect the service to be carried out with due care and attention, in a manner consistent with good industry practice and in compliance with any relevant regulations.

Mrs A says she has been told that British Gas' engineers are trained to manually check the radiators and, therefore, the engineers should have felt the valves during the annual services to ensure there were no leaks. Mrs A says such manual checks should always have formed part of the annual service and, furthermore, if the engineers had checked the boiler, they would have noticed a drop in pressure. Mrs A also says her father specifically asked British Gas in the past whether the annual service consisted of more than a visual inspection and was told that it did.

British Gas has told us the purpose of an annual service is to ensure that that a boiler is working safely and efficiently and that a number of standard tests – such as a combustion check, a gas rate/pressure check and a flue check – are carried out. The engineer will visually inspect the boiler casing and inside the boiler for water leaks, mechanical deterioration and signs of heat stress. British Gas says if there are any visible issues or signs of a fault, further checks will be carried out.

British Gas has said that checking for radiator airlocks, checking both sides of a radiator for heat and checking for radiator leaks don't necessarily form part of an annual service unless issues highlighted during other tests (i.e. low boiler pressure) lead its engineers to carry out further investigations. It also said that the leak wasn't apparent until it had lifted up the carpet in the room affected.

Mrs A has also suggested that the cover her parents held included an annual maintenance inspection of the radiators but this isn't the case. They apparently held central heating cover only, which only includes an annual service of the boiler, not plumbing cover which would include an inspection of the radiators. I've not seen any evidence that this is incorrect.

I have reviewed all of the information provided but there is no indication that there were any signs of a leak - or of low boiler pressure - during the May 2010 or April 2011 annual services. I understand Mrs A says the extent of the damage shows the leak had been ongoing for years but there is no way of knowing for certain when the slow leak started

I understand Mr and Mrs A's parents may not have been in a position to check for or notice leaks themselves but British Gas' terms and conditions apply equally to all policyholders. Its engineers will carry out similar checks in all annual services and it does not offer additional cover or a guarantee to carry out works with extra care to vulnerable policyholders.

I sympathise with Mrs A's position but I don't feel there is enough evidence for me to decide that a slow leak was present during the May 2010 and April 2011 annual services, which British Gas should reasonably have identified.

As a final point, Mrs A says British Gas' area manager was verbally abusive and aggressive towards her. It's of course very difficult for me to know exactly what happened during this meeting, but, in any event, British Gas offers its apologies to Mrs A for this.

my provisional decision

I don't intend to uphold this complaint.

I now invite both parties to provide any further submissions they may wish to make, in writing within one month, after which I will issue my final decision, or further directions."

developments

Neither Mrs A nor British Gas responded to my provisional decision so I see no reason to change my findings.

my final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 5 October 2015.

Harriet McCarthy
ombudsman