

## **complaint**

Mr C has complained about the handling of a claim under his central heating insurance policy with British Gas Insurance Limited.

## **background**

I issued a provisional decision on this matter earlier this month, part of which is copied below:

*“On 2 March 2018, Mr C called British Gas to report that his boiler was not working, as it had lost pressure. British Gas agreed to come out the next day but on that day told Mr C it could no longer make the appointment and tried to put the appointment back until 23 March 2018. Mr C wouldn’t agree to this and so it was arranged that British Gas would attend on 5 March 2018.*

*An engineer came out on 5 March 2018 and apparently replaced the pressure relief valve and worked on the expansion vessel. However, shortly after the engineer had left Mr C says the boiler stopped working again. When Mr C told British Gas this it said it couldn’t come out again until 12 March 2018. British Gas offered to pay £50 towards temporary heaters in the meantime. As Mr C was not prepared to wait for seven days without heating and hot water, he asked if he could get his own engineer to do the work required. British Gas agreed to pay the cost of a private engineer up to £199.00.*

*Mr C arranged for a private engineer to attend who carried out some tests on the work done by British Gas. He told Mr C that it should have been obvious that there was no problem with the boiler and that there was a leak in the central heating system, which was causing the pressure to drop. He had to come out on three occasions. On the third visit he found where the leak was coming from but by then the £199.00 authorised by British Gas had almost run out.*

*Mr C contacted British Gas on 19 March 2018 and said that a leak had been found under his floor in the hallway. An engineer attended the same day but didn’t have the right equipment to access the pipe. However, while he was there he apparently caused a leak on a different pipe and had to arrange for a second engineer to come out and help repair this. I understand that the second engineer wasn’t able to repair it, so drained the system to prevent further damage.*

*The original leak was repaired by a further engineer on 21 March 2018, who dug up the concrete floor and replaced a piece of leaking plastic pipe. British Gas re-laid the concrete floor on 24 March 2018. I understand there have not been any further problems since then. Mr C complained to British Gas about the service received. He says his wooden flooring has been damaged as a result of its delays and that he had lost earnings due to taking time off work because of British Gas’s negligence.*

*British Gas doesn’t accept that it is responsible for the damage to Mr C’s floor. It says the leak was hidden under concrete and so would have been hard to locate, even if it had been able to attend earlier, and it took the private engineer some time to locate it. British Gas says that the damage is a natural consequence of the original leak and not due to any error on its part; and was likely to have been already in existence prior to the initial visit given the nature of the fault. The private engineer should also have ensured that there was no further water damage, once he knew there was a leak somewhere in the system.*

*British Gas also says that ordinarily, this repair would not be covered as the fault was as a result of poor installation, which was not completed by British Gas. The policy says:*

*“Preexisting 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.”*

*However, it says it agreed for the repair to be completed as a gesture of good will. British Gas reimbursed the £180.00 paid to the private engineer and also offered £50.00 for the delay in responding to the claim.*

*One of our adjudicators looked into the matter. He recommended that the complaint be upheld, as he considered that British Gas should have been able to tell the problem was not in the boiler but somewhere else in the heating system when it first attended. This failure and the further delays resulted in the leak continuing for longer than it should have done. The adjudicator therefore recommended that British Gas arrange for the repairs to Mr C's wooden flooring or agree to cover the cost (to be agreed on production of quotes), however, he later changed this to recommend that it pay 50% of the cost.*

*The adjudicator also recommended that British Gas pay Mr C £100.00 compensation, in addition to the £50.00 offered for the delay in responding.*

*Mr C accepted the adjudicator's assessment but British Gas does not, so the matter has been referred to me.*

*Mr C also provided some further information to the adjudicator, including photographs of the damaged area of flooring. Mr C said he had replaced one area himself, as it was a trip hazard but another area, in the WC, still needs replacing as it has lifted and bowed but to do this will require taking tiles off the walls as well, which will make it a very expensive job. Mr C says he lost £1,000 work and spent around £230 on materials and tools so far.*

### **my findings**

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

*There was considerable delay in dealing with this claim and I am satisfied that British Gas's handling of the claim will have caused additional avoidable water damage. It didn't attend the first time for two days and didn't identify that the loss of pressure was due to a leak. It is in dispute as to whether it should have been able to identify this at that first visit. However, given how quickly the boiler pressure seems to have dropped (within an hour of the engineer leaving on 5 March 2018 and the private engineer has said it lost pressure almost immediately on opening up the valves) it seems likely to me that it should have identified that there was a leak.*

*British Gas says this would have taken time to find anyway, and so damage would have been done to the floor, given the leaking pipe was buried. However, while the pipe was not visible it is possible to locate the vicinity of leaks, by isolating sections of the central heating system and this was done by the private engineer.*

*I note British Gas also says the private engineer took time to locate the leak and didn't do*

*anything to stop the water damage. However, he could only have drained the system which would have left Mr C and his family with no heating or hot water at all. And it was ultimately British Gas's responsibility under the terms of the policy. Mr C instead had to appoint his own engineer as he did not receive the help he was entitled to expect under his policy. And when British Gas was told where the leak was, there was further delay as it sent the wrong engineer to fix it (causing a further day's delay) and then caused a further leak in the same area. It seems to me inevitable therefore that the water damage was made worse by these issues.*

*I have to therefore consider the appropriate redress to put this right for Mr C.*

*The policy includes "up to £1,000, including VAT, for getting access and making good for each repair".*

*The policy defines 'access and making good' as being:*

*"... getting to your boiler, appliance or system, to fix or service it and then repairing any damage we may cause in getting access to your boiler, appliance or system by replacing items such as cabinets or cupboards that we've removed and by filling in holes we have made and leaving a level surface – but we won't replace or restore the original surface or coverings, for example, tiles, floor coverings, decoration, grass or plants."*

*This means that British Gas was only ever responsible for relaying the concrete floor so there was a level surface, which it did on 24 March 2018.*

*Given this, Mr C would have had to re-lay the wood floor which was removed to gain access to the area of the leak, or pay for it to be re-laid in any event. So I am not persuaded he needs to be reimbursed for his time in doing this work, or the costs of materials and tools that would have been required for this anyway (such as the tools and adhesive).*

*Mr C says that all the wooden flooring that had to be taken up could have been re-laid, if it weren't for the water damage to it. However, I am not persuaded that all the wood and underlay could have been re-laid; it seems likely that at least some would have been damaged when it was removed.*

*Mr C also says that a further area of flooring needs to be replaced (I can see in the photo he has provided that there is a small area that appears bowed in the WC). This section of flooring was not taken up to access the leak. Mr C has said this would require tiles to be removed.*

*I am not persuaded by this. Mr C previously provided an estimate for the cost of relaying new flooring to the hall, cloakroom, lobby and WC. This states:*

*"# New flooring will not go under the skirting or tiles, scotia beading will be fitted.  
# It is not recommended to fit wood flooring in the toilet due to possible water damage, as advised.  
# The wood will be cut around the WC pan and a sealant used to fill expansion gap. "*

*This therefore states that it would not have been necessary to remove the tiles.*

*It's hard to tell from the photos how much flooring needs to be replaced. I can see at least two pieces appear to have lifted. Mr C has provided details that the flooring cost around £65 psm. It's unlikely that more than this would be needed from the size of the WC in the photos.*

*Mr C has also asked for loss of earnings but there is no convincing evidence to support the figures he has provided. However, I can see that he had to attend more appointments than should have been necessary in order to have the leak resolved and this would have been inconvenient.*

*Given everything I've said, it seems to me that the most appropriate remedy is to make a global compensation award that provides a contribution towards the cost of repairing that area of flooring and compensates for the trouble caused, including: the delay in responding to the claim; the cancelled appointment on 3 March 2018; the unproductive appointment on 19 March 2018; the causing of a second leak and having to have another engineer attend three hours later; having to arrange his own engineer and accommodate those additional visits.*

*Having taken all this into account, I intend to award the total sum of £400 compensation, to include the £50 already offered.*

### **my provisional decision**

*I intend to uphold this complaint against British Gas Insurance Limited and require it to pay Mr C a total of £400 compensation for the distress and inconvenience caused by the handling of this matter (to include the £50 already offered)."*

### **responses to my provisional decision**

I invited both parties to respond to my provisional decision with any further information or arguments they want considered.

British Gas has confirmed that it accepts my provisional decision and has not added anything further.

Mr C has also responded. He says he accepts the provisional decision, provided that British Gas doesn't seek to challenge it. However, he also wanted to make some further points and provided some further information, for consideration if it did challenge it, which I've summarised below:

- He provided his terms of business which shows his hourly charge out rate to substantiate the loss of earnings he claimed. He spent over eight hours dealing with engineers and refitting the floorboards, which meant he was unable to "produce billables". The total lost was therefore well over the £1,000 he claimed.
- The areas of undamaged flooring simply slid out, and were refitted to the floor as it is now. Therefore the statement "I am not persuaded that all the wood and underlay could have been re-laid; it seems likely that at least some would have been damaged when it was removed" is incorrect. As is the assertion that only two pieces of flooring need to be removed in the WC, it is the entire floor that needs to be re-laid.
  - The £65psm for the flooring does not include fitting, and is just for the materials.
  - The estimate he had provided was to show that it would not be a like-for-like repair. This floor company cannot lay flooring under tiles. The choice is for them to either cut around the tiles and fit beading, or remove the toilet and tiles so that they can lay it properly.

## **my findings**

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

While both parties have indicated they accept my provisional decision, Mr C has made some further submissions. While he said he was happy to have these 'lie on file' if British Gas accepted my decision, it is right that I consider them before issuing a final decision on what I consider to be the fair and reasonable outcome of the complaint.

Mr C has provided evidence of his charging rates and his terms of employment but these don't prove that he lost work as a direct result of the relaying of the floor or appointments with British Gas. I also provisionally determined that British Gas was not responsible for the time Mr C spent relaying part of the floor, as this would have been required anyway and not just because of the errors made by British Gas in handling this claim. I therefore remain of the opinion that compensation to reflect the time taken in dealing with additional appointments that wouldn't otherwise have been necessary is appropriate and I can't make an award for loss of earnings.

I said it wasn't clear how much of the floor in the WC was damaged from the photos provided but I could see at least two pieces have bowed/buckled. But the entire area appears to be relatively small and so I considered it was unlikely it would need more than a square metre of flooring, which was priced at £65psm. I acknowledge that this didn't include fitting costs. Mr C hasn't provided any evidence that more than a square foot of flooring would be needed for this area.

Mr C provided a quote for replacement of all the flooring in the hallway and WC, as set out in my provisional decision. I accept that the existing flooring appears to have been fitted under the toilet, skirtings and wall tiles in the WC. However, the quote indicates that it would not be necessary to remove the wall tiles in order to replace the flooring. In any event, Mr C has not provided any other evidence about why this would not be adequate or the cost of removing the tiles.

I therefore remain of the opinion that global compensation award that provides a contribution towards the cost of repairing the area of flooring in the WC and compensates for the trouble caused, including: the delay in responding to the claim; the cancelled appointment on 3 March 2018; the unproductive appointment on 19 March 2018; the causing of a second leak and having to have another engineer attend three hours later; having to arrange his own engineer and accommodate those additional visits is appropriate.

**my final decision**

I uphold this complaint against British Gas Insurance Limited and require it to pay Mr C a total of £400 compensation for the distress and inconvenience caused by the handling of this matter (to include the £50 already offered).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 14 March 2019.

Harriet McCarthy  
**ombudsman**