

complaint

Mr B complains that British Gas Insurance Limited (BG) is responsible for a water leak that caused damage to his house.

I've previously issued a provisional decision in this case. I've received further comments from Mr B and from BG which I've considered but I'm not persuaded that I should change my decision.

background

Mr B had a boiler and central heating system installed in 2001. This wasn't installed by BG but by another British Gas entity. He'd kept up an annual maintenance contract with BG every year since then.

In June 2017, while he and his wife were out, water escaped from the header tank in his loft and this caused a ceiling to collapse. He turned off the water at the mains and called BG straight away. When a BG engineer arrived later that morning, he found that a ball valve in the header tank had snapped off. He replaced this and left. Mr B made a claim on his home insurance for the repair of the damage, but he had to pay a £350 excess. He wants BG to reimburse him for this.

Following this incident, Mr B decided to replace his heating system with a combi boiler which does away with the need for water tanks in the loft. The engineers he used removed the old water tank and reported a concern with the installation. They said that the overflow pipe was 15mm wide and not 22mm as required by current regulations. There's no evidence that this pipe was blocked.

Mr B blames BG for the damage caused to his home. He says the heating system he'd paid "BG" to install and to maintain had failed. He says BG should've checked, as part of his annual service, that the ball valve wasn't in danger of breaking. He also says that the header tank overflow didn't prevent water from escaping into the house.

BG has denied that it's responsible for the leak. It says it was caused by the failure of the ball valve and that if it had inspected the header tank before the leak, it wouldn't have been able to tell if the ball valve was at risk of breaking. It also says that it wasn't possible to check whether the overflow pipe was blocked without over-filling the header tank. It also said that the effectiveness of an overflow pipe to take away excess water might be affected by its route, size, length and fall, which could affect the discharge rate. It says it didn't install the system in 2001 so isn't liable for any improper installation.

Mr B wasn't satisfied with BG's response, so he referred his complaint to this service. Our investigator's opinion was that an inspection of the header tank should've been covered by Mr B's policy, and if BG's engineer had checked the header tank it's likely he would've spotted the component failure that led to the damage to Mr B's home. She recommended that BG should reimburse Mr B the £350 excess he had to pay in order to get the damage fixed under his home insurance policy.

BG doesn't agree with this recommendation, so the matter's been passed to me to make a decision.

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'm not going to uphold Mr B's complaint and I'll explain my reasons for doing so.

I don't think it's reasonable to expect BG to be able to identify when a component such as a ball valve is going to fail. Mr B's last annual service had been on 6 August 2016, some ten months before the ball valve failed. I think it's likely, even if BG had inspected the header tank as part of this annual service, that there would've been nothing to see until the component actually failed. The engineer who fixed it said that the ball valve had snapped off. This suggests to me that until the valve actually snapped off, the system was working properly. I expect BG would've had no reason to suspect the valve was going to fail before it did. So I don't think that BG is at fault for the failure of the ball valve or for not identifying that it was likely to fail.

As to the capacity of the overflow pipe and its ability to dispose of excess water, I haven't seen any evidence that it was the diameter of the pipe that was responsible for the leak of water. BG has said that there are a number of other factors such as the pipe's route, length or fall that might affect its ability to deal adequately with an overflow situation. I've seen no information to suggest that a pipe with a different diameter would necessarily have prevented the leak.

Mr B's policy doesn't require BG to advise on matters relating to design or installation, and BG wasn't responsible for this. In fact there's a specific general exclusion in the policy excluding BG's liability for design faults for which BG isn't responsible. So I don't consider that BG is at fault for failing to identify this as a potential problem. I don't accept Mr B's argument that because his system was originally installed by a "BG" entity, BG, which is an insurance entity, should be held responsible.

Also, Mr B's policy says *"We're not responsible for any loss of or damage to, or cleaning of property furniture or fixtures as a result of your boiler, appliance or system breaking or failing unless we caused it. For example damage caused by water leaks."*

As BG didn't cause the leak, I don't consider it's reasonable to find it responsible for the damage, nor for any financial loss that Mr B has suffered as a consequence, namely the excess he had to pay.

my final decision

For the reasons I've given above, I'm not proposing to uphold Mr B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 24 June 2018

Nigel Bremner
ombudsman