

The complaint

Mrs S complains that British Gas Insurance Limited (BG) is responsible for damage caused to her boiler - during an annual service carried out under her home emergency insurance policy.

What happened

In September 2019, BG carried out an annual service of Mrs S' boiler. During the service, its engineer damaged the thermostat. Another engineer attended and in his attempt to fix it, he caused further damage to her heat-exchanger that meant Mrs S had no heating. Mrs S raised a complaint.

BG accepted that it had caused the damage. But said that it couldn't repair the boiler as the boiler was very old and some parts of the boiler were obsolete. Mrs S wanted her boiler repaired but accepted a quote from BG to replace it instead. BG offered £1,000 contribution towards the cost of a new boiler.

Mrs S didn't accept this as she said that BG were responsible for the damage and it should pay for the full cost of a replacement boiler. But she later said that she was prepared to accept half of the cost of the boiler. BG was not prepared to increase its offer and so Mrs S referred the complaint to this service.

Our investigator upheld her complaint. His view was that BG hadn't treated Mrs S fairly. He said that BG ought to contribute towards half of the costs of the replacement boiler as well as the fitting costs – a total of £1,959.75. He also said that as Mrs S had been inconvenienced, BG should pay £150 for the trouble and upset it had caused.

BG didn't accept our investigator's view and increased its offer to include 5 years of central heating and annual service cover. Mrs S didn't accept this offer and BG asked for the complaint to be referred to an ombudsman.

What I've decided – and why

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

BG has accepted that it was responsible for causing the damage to Mrs S' boiler. What I have noted is that BG effectively damaged Mrs S' boiler twice. The first when the initial engineer damaged the thermostat and the second when the second engineer damaged the heat exchanger which caused a leak that affected Mrs S' property. So, I think it is appropriate for BG to accept that it caused the damage.

Both parties accept that the boiler was old and the reason why BG couldn't repair it was due to the parts being obsolete. I have reviewed the job sheets and I can see that the boiler had been installed in 1998. I can also see that on a few occasions, BG advised Mrs S to change

her boiler. But the last time BG advised Mrs S to change her boiler was at least three years before her boiler was damaged by them.

Additionally, there were at least two annual services carried out by BG before the service that caused damage, where BG were satisfied that it was working without any issues.

So although it is accepted by both parties that at some point Mrs S would've had to have changed her boiler. I haven't seen enough evidence to say that the boiler would've needed to be changed, at this particular point, if BG's engineers hadn't damaged it.

I have to consider whether BG's increased offer was enough and weighing the evidence up I don't think that it was. I should make it clear that I don't think BG should pay for the entire cost of the new boiler as at some point the boiler would've had to be replaced. But as BG accepts causing the damage, I think it is fair that it meets half the cost of the boiler and installation.

From the evidence, I can see that Mrs S had to contact BG a few times in her attempts to resolve her complaint. She also states that she was left without adequate heating, although BG did supply her with fan heaters. I understand that some of her property was made damp due to the leak caused. So I am satisfied that she experienced a level of distress and inconvenience and I think BG should pay compensation of £150, to reflect this.

Putting things right

So overall, I think that BG dealt with Mrs S unfairly and I will be asking BG to pay a 50% contribution towards the cost of the boiler and installation. As well as pay £150 compensation for the trouble and upset it caused Mrs S.

My final decision

My final decision is that I uphold this complaint for the reasons given above.

I direct British Gas Insurance Limited to pay a contribution of 50% towards the cost of the boiler and its installation - £1,959.75.

It should pay £150 compensation for the trouble and upset caused.

British Gas Insurance Limited must pay the compensation within 28 days of the date on which we tell it Mrs S accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 5 November 2020.

Ayisha Savage
Ombudsman