

## **The complaint**

Mr and Mrs C are unhappy with the service provided under their “HomeCare Two – Boiler, controls and central heating cover” insured by British Gas Insurance Limited (“British Gas”).

## **What happened**

British Gas has carried out annual services of Mr and Mrs C’s boiler for a number of years as part of their HomeCare cover. During the annual service in June 2019, the British Gas engineer disconnected Mr and Mrs C’s boiler.

Mr and Mrs C were unhappy about this. A British Gas manager visited Mr and Mrs C’s property a few months after the service. Mr and Mrs C say the manager told them their boiler had been disconnected because their flue had corroded. He advised that the flue couldn’t be repaired and a replacement would not be covered by their policy. He also recommended that their boiler – which was around 30 years old – should be replaced because of its age. Mr and Mrs C were unhappy that British Gas didn’t offer to replace their heating system free of charge and complained to British Gas.

British Gas didn’t uphold Mr and Mrs C’s complaint. In its final response (FRL), it said the service engineer had reason to believe the boiler flue may have corroded and removed the liner to investigate. British Gas said its engineer found it was corroded, tried to reseal it away from the corrosion, but the liner was too short. The FRL said that Mr and Mrs C’s policy wouldn’t cover them for a new flue or a new heating system. Mr and Mrs C were unhappy with this response and brought their complaint to us because they still felt British Gas should have either repaired the flue or installed a new heating system for free.

Mr and Mrs C referred the complaint about British Gas not replacing their heating system to us. But our investigator didn’t think Mr and Mrs C’s policy terms meant British Gas should replace their flue and boiler for free. Our investigator felt that corrosion had most likely caused the flue to become detached from the boiler and the engineer had tried to re-attach it but couldn’t because the flue was too short.

But Mr and Mrs C doubted their flue had corroded. They said the British Gas engineer told them during the 2019 service that the flue was six inches short of the boiler, but he didn’t mention corrosion. They said the issue had never been noted during any previous services. Mr C said he’d suffered constant headaches which he felt were caused by carbon monoxide escaping from the flue. Mr and Mrs C provided us with written testimony from their own engineer that the connector between the flue liner and back boiler showed no corrosion and there was no corrosion on the back boiler itself, which the engineer said he’d have expected to see.

Mr and Mrs C told us they were concerned the flue hadn’t been properly connected to their boiler for a number of years and that British Gas repeatedly missed this when carrying out annual services of their boiler. And that because of British Gas’ negligence during previous services, they were now facing the winter without heating.

British Gas issued a second FRL in response to Mrs and Mr C's complaint about it missing the short connection of the flue to the boiler. It said the 2019 service identified the flue was too short to reach the boiler to give an adequate seal and so it had no choice but to deem the unit immediately dangerous and disconnect the boiler. It said this wasn't seen on any other visits, otherwise it would have taken the same action. British Gas said it couldn't stretch or extend the flue as it's one continuous length and it wouldn't replace it under the terms of the policy. The FRL said that the flue liner has a shelf life that recommends changing it if it has corroded.

Mr and Mrs C were unhappy with this response and asked us to look into their complaint. They felt British Gas had told them there was corrosion when they didn't think there was any. And they were still concerned that the poor connection of their flue to their boiler had been missed in the past by British Gas during annual services.

British Gas told us it was confident the annual service inspections had been carried out satisfactorily. It said during the June 2019 service, the engineer wanted to do an extra check by peeling back the seal tape connecting the flue to the boiler as he had reason to doubt it was connected properly. He intended to re-seal the system, but once he'd removed the tape, he found the flue was too short and so had to disconnect the boiler.

Our investigator didn't uphold Mrs and Mr C's complaint about British Gas missing the short connection of the flue to the boiler. He thought the engineer had probably removed any rust from the join of the flue before trying to reconnect it, which was consistent with both the third party not finding any rust and the engineer trying to repair the flue. He felt that British Gas hadn't identified a problem with the flue before June 2019 because if it had, it would have mentioned it to Mr and Mrs C.

Mr and Mrs C did not accept our investigator's view and asked for an ombudsman's decision. Mr and Mrs C felt their own engineer had found the flue to be clean because it had never been attached to the boiler. They said any attachment that had dissolved would have left debris and there wasn't any. Mr C also said from his own experience corrosion is a long process and takes longer than just a few months.

The complaint was passed to me for an ombudsman's decision.

Because of the link between both of Mr and Mrs C's complaints about British Gas, both parties agreed that Mr and Mrs C's first complaint about replacement of their flue and boiler should be referred for an ombudsman's decision along with their complaint about the flue's short connection being missed during services.

British Gas said they don't keep copies of the annual service reports left with customers. But Mr and Mrs C provided copies of British Gas' annual service reports from 2015, 2016, 2017 and 2018, but they didn't have a copy of the June 2019 annual service report – the service during which their boiler was disconnected.

Mr C told us he'd attended hospital about headaches which he suspected were due to carbon monoxide poisoning caused by the problems with the flue. But Mr C was unable to provide any medical evidence demonstrating his headaches were caused by carbon monoxide poisoning.

After I'd considered all the available evidence to decide what's fair and reasonable in the circumstances of this complaint, I reached a different outcome to our investigator. Because the outcome was different, I issued a provisional decision giving both parties a further chance to comment on my findings ahead of issuing my final decision.

## **My provisional decision**

My provisional decision was that I was minded to uphold Mr and Mrs C's complaint in part by instructing British Gas to award them £250 compensation for their trouble and upset. I explained my provisional findings to both parties as follows:

*Under the "Boiler and Controls" heading of Mr and Mrs C's policy booklet under the "What's covered" sub-heading it says:*

*"A replacement for your boiler if we can't repair it and...it's less than seven years old Or it's between seven and ten years old, we installed it and it's been continuously covered by British Gas...."*

*It's not in dispute that Mrs and Mr C's boiler is around 30 years old. British Gas said in its first FRL that the flue was not repairable, needed replacing and wasn't covered by Mr and Mrs C's policy. And given that the flue was part of a heating system that was around 30 years old, I don't think it unreasonable that British Gas didn't offer to replace Mr and Mrs C's flue free of charge. So I'm satisfied that British Gas does not need to replace Mr and Mrs C's flue or - because of the terms of their policy - Mr and Mrs C's boiler.*

*The engineer carrying out the 2016 service wrote on the report "free boiler available to you". But at each renewal Mr and Mrs C would have been given policy documentation setting out the terms and conditions for the coming policy year - including the policy year during which their boiler was disconnected. And I'm satisfied that, regardless of what they were told in 2016, the terms and conditions set out in their policy documentation for the year when their boiler was disconnected are clear that British Gas do not need to replace Mr and Mrs C's boiler free of charge.*

*It's not in dispute that Mr and Mrs C's flue was too short to connect to the boiler properly. I asked British Gas why the engineer, on discovering the flue was too short, couldn't have resealed the join with tape during the July 2019 service. British Gas explained the tape wouldn't have provided an adequate and safe seal. So I don't think British Gas did anything wrong by disconnecting Mr and Mrs C's boiler and I accept it had no choice but to do so.*

*But Mr and Mrs C feel that British Gas should have identified that their flue was too short sooner than it did. The engineer's notes say, "flue liner cut to short and won't fit on back boiler properly. About 6 to short" and British Gas has now confirmed that Mr and Mrs C's flue hadn't corroded. So whether or not Mr and Mrs C's flue corroded is no longer in dispute. So I think Mr and Mrs C's flue had probably been too short since installation. And I think the flue being too short could have been identified by British Gas sooner than it was. I'll explain why.*

*The terms and conditions of Mr and Mrs C's policy state that:*

*"One of our engineers will visit your home to complete your annual service. This will include testing the gases your appliance or boiler produces. If the visit shows that it's necessary to take your appliance or boiler apart to adjust or clean it, we'll do so....If we find a problem that needs to be fixed, we'll tell you about it".*

*So the annual service can involve more than just a visual check and can involve dismantling the appliance if necessary.*

*British Gas told us that inspections are usually only visual and involve a walk-through of the system. But it also told us that it always inspects flues on visits to check for corrosion as flue liners have a shelf life. It also told us that the average life span of a boiler and flue is about 15 years. Mr and Mrs C's boiler was about 30 years old. If British Gas always inspects flues*

*for corrosion and - given the above policy term and the age of Mr and Mrs C's boiler - I think I'd have expected British Gas to have removed the tape from the flue's join to check for corrosion earlier than the 2019 service, which would have identified the short connection sooner.*

*But I don't think on balance British Gas' failure to identify the short connection caused any personal injury to Mr and Mrs C. I've reviewed the visit reports provided by Mr and Mrs C. All the service reports for 2015, 2016, 2017 and 2018 say that "Combustion emissions tested and confirmed as correct". Also, Mr C didn't provide evidence of a diagnosis of carbon monoxide poisoning.*

*So because British Gas failed to properly check Mrs and Mrs C's flue's join with their boiler during annual services carried out before 2019 and because British Gas' first FRL said their flue had corroded when it hadn't, I intend to award Mr and Mrs C £250 compensation. But I don't intend to award Mr and Mrs C compensation for personal injury or to instruct British Gas to replace their flue or boiler free of charge."*

### **Responses to my provisional decision**

Neither British Gas nor Mr and Mrs C accepted my provisional decision. I've considered the new arguments and information both parties provided, but none have given me reason to depart from my provisional findings. I'll explain why.

British Gas didn't feel any further goodwill gesture was necessary and provided an explanation of how flue liners are installed. It said the remark about the liner being six inches too short was misleading as only the bottom few inches of the flue would be visible. And that if the flue liner was six inches too short, the gap couldn't be covered over by tape and would've been spotted on the first visit years ago. But I still think - on balance and regardless of the size of the gap - Mr and Mrs C's flue liner was too short to make a sufficient and safe join because of what the engineer's notes said ("*flue liner cut to short and won't fit on back boiler properly. About 6 to short*"). And I still would've expected British Gas to have identified the short connection sooner than it did because of the checks it told us its engineers carry out during services.

British Gas provided more information on the safety tests its engineers carry out during services. It said that for a customer to have experienced carbon monoxide poisoning for years, the engineer would have either repeatedly not carried out the tests or ignored any test failures. In my provisional decision, I said I didn't think on balance that Mr C had suffered carbon monoxide poisoning and that the annual service report records showed that safety tests had been completed and passed. So British Gas' clarification does not provide any further information material to this finding.

British Gas said there wouldn't have been evidence of corrosion because any debris would be cleaned out as part of the service. I've considered this new information despite British Gas already confirming to us that Mr and Mrs C's flue hadn't corroded. And I still think Mrs and Mrs C's flue liner had been too short since installation and hadn't corroded because the engineer's notes made no mention of corrosion and said the flue liner was too short. Also, Mr and Mrs C say that the engineer made no mention to them of any corrosion during his visit.

British Gas said that the '*Free boiler available to you*' noted on the 2016 service report referred to a government offer available at the time. My provisional decision was that British Gas didn't need to replace Mr and Mrs C's boiler free of charge, so this clarification does not change my finding on this.

Mr and Mrs C said they'd had to wait two months for a new boiler. They said they'd had to use electric fires for heat, which was costly and they'd had to borrow a gas cylinder, which was inconvenient as Mrs C is aged and Mr C is disabled. They felt £250 wasn't enough compensation.

I sympathise with the inconvenience that Mr and Mrs C say they've experienced whilst waiting for a new boiler. But I can't say this is British Gas' fault. British Gas had no choice but to disconnect their boiler. And it's impossible to know whether Mr and Mrs C would have been any less inconvenienced if the short connection had been identified by British Gas sooner. Also, Mr and Mrs C's policy terms are clear that British Gas don't have to replace their boiler for free, so it wouldn't be fair for me to require British Gas to pay Mr and Mrs C's heating costs whilst they were waiting for a new boiler.

Mr and Mrs C felt British Gas hadn't adhered to the terms of the contract by not noting the short connection sooner. And because they felt they hadn't received an adequate service over numerous years, they felt the money they'd paid to British Gas in the past should be paid back.

British Gas provided information showing that it attended Mr and Mrs C's property on a number of occasions - for example, in 2015 because of an issue with the drain and in 2019 because of an issue with the cold feed. And despite the short connection being missed, the emissions from Mr and Mrs C's boiler were checked by British Gas as part of their cover in 2015, 2016, 2017 and 2018 and found to be safe. So because Mr and Mrs C benefitted from their policy in these and other ways, it wouldn't be fair for me to instruct British Gas to refund Mr and Mrs C's payments to them.

Mr and Mrs C told us that British Gas should keep better records of service visits. This is something Mr and Mrs C would need to raise with the relevant regulator as it is beyond the remit of this service to tell businesses what records they must keep.

So despite the arguments presented by Mr and Mrs C and British Gas in their responses, I won't be departing from my provisional finding that £250 is fair compensation for British Gas missing the short connection and saying in its first FRL their flue had corroded when it hadn't.

### **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.

I've considered the responses of both parties to my provisional decision. Neither British Gas' nor Mr and Mrs C's responses have persuaded me to depart from my provisional findings. So, I've decided to uphold Mr and Mrs C's complaint in part and in line with my provisional decision by awarding Mr and Mrs C £250 compensation for their trouble and upset.

### **My final decision**

I uphold Mr and Mrs C's complaint in part. I instruct British Gas Insurance Limited to pay Mr and Mrs C £250 compensation for their trouble and upset.

British Gas must pay the compensation within 28 days of the date on which we tell it Mr and Mrs C accept 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 C and Mr C to accept or reject my decision before 16 February 2021.

Ruth Peek  
**Ombudsman**