

## **The complaint**

Mrs S and Mr S complain about British Gas Services Limited trading as British Gas (BGS) and service they received under their home insurance policy.

## **What happened**

Mrs S and Mr S held a home insurance policy provided by BGS. As part of this policy, BGS serviced Mrs S and Mr S' boiler annually. Annual services were completed on Mrs S and Mr S' boiler every year from 2009 to 2019. But in 2020, a service wasn't carried out due to the difficulties caused by COVID-19 and the lockdown restrictions that were imposed.

On 28 July 2021, BGS attended Mrs S and Mr S' property to complete an annual service, which was almost two years after the last service was completed. The engineer who attended advised the flue collector has split, the burner seal had worn, and the PCB was showing a fault. So, the engineer advised the service couldn't be carried out and that they'd return with the necessary parts to complete a repair.

The engineer returned on 30 July but when attempting the repair, they discovered the back of the boiler had rusted significantly. So, they were unable to complete the repair and instead capped it, advising Mrs S and Mr S they'd need to purchase a new boiler. Mrs S and Mr S followed this advice, purchasing a new boiler for £2,829 in August.

But Mrs S and Mr S were unhappy about this, so they raised a complaint. Mrs S and Mr S thought BGS should've checked and replaced the required parts when services were completed in previous years. So, they thought BGS were responsible for their need to buy a replacement boiler and they wanted BGS to contribute towards this.

BGS responded and paid Mrs S and Mr S a total of £242.62 which covered the cost of the replacement flue collector, the missed annual service in 2020 and a refund of the policy cancellation fee. But they didn't offer anything more as they didn't think they'd done anything wrong when deciding the boiler needed to be replaced. BGS explained a leak had been found due to the split in the flue collector. And when this collector was removed to be replaced, this is when the corrosion was identified. So, they were satisfied the issue had been diagnosed correctly.

Mrs S and Mr S were unhappy about this and stated this was the first time a leak had been mentioned to them. So, they disputed BGS' response and referred their complaint to our service.

Our investigator looked into the complaint and didn't uphold it. He explained he wouldn't have expected BGS to identify the issue in previous visits as there was nothing to suggest it was there before the service in July 2021. And he explained BGS had confirmed leaks of this nature would usually develop over the course of a few months, not years, so he was satisfied BGS couldn't have done anything to prevent it.

And while he didn't dispute Mrs S and Mr S' testimony that a leak wasn't mentioned by the attending engineer, he was satisfied that, on the balance of probability, a leak was present due to nature of the fault. So, he didn't think BGS had acted unfairly by deciding a replacement boiler was required. And as Mrs S and Mr S' boiler was over 10 years old; their policy didn't include cover for the costs of a replacement. So, he thought the payment BGS had already made to Mrs S and Mr S was a fair one and he didn't think BGS needed to do anything more.

Mrs S and Mr S didn't agree. And they maintained there was no leak present when the engineer attended. So, they thought BGS had created this version of events to be able to recommend a new boiler was required. Mrs S and Mr S thought the corrosion found in the boiler could've been sanded back as an alternative and so, they thought the cost of the replacement boiler had been incurred unfairly and they wanted BGS to cover the cost of this. As Mrs S and Mr S didn't agree, the complaint has been passed to me for a decision.

### **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.

Having done so, I'm not upholding the complaint for broadly the same reasons as the investigator. I've focused my comments on what I think is relevant. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

First, I want to recognise the impact this complaint has had on Mrs S and Mr S. I recognise Mrs S and Mr S had no recent issues with the boiler before BGS attended to complete their annual service. And I appreciate they were told initially a repair was able to be completed. So, when the engineer re-attended the property and explained a new boiler would be required, I recognise this would've come as a shock. And I can understand why Mrs S and Mr S would question this diagnosis, considering the boiler was working and they were told a repair could be done. I also recognise the significant financial cost of replacing a boiler and how this would've impacted their short-term financial position.

But for me to say BGS have done something wrong, I'd need to be satisfied they made an error when diagnosing the fault and deciding a new boiler was required. Or, that they could've done more to prevent this issue in previous visits. And in this situation, I don't think that's the case.

I've first thought about whether BGS should've done more in previous visits, as this was Mrs S and Mr S' original complaint. I've seen a list of all BGS visits to Mrs S and Mr S annual services and the notes each engineer provided. And in none of these can I see that there were any issues identified with the flue collector, which was the main problem in 2021. So, I've got no evidence to suggest there was any issue with that that BGS would've been able to identify sooner.

Mrs S and Mr S think BGS should've replaced the part to ensure it was in good working condition. But I wouldn't expect BGS to replace any part that is working correctly. And in the previous visits, from the evidence I've seen I think it was. I think it's also worth noting that there was a gap of almost two years between Mrs S and Mr S annual service in 2019 and the next service in 2021. As explained above, the 2020 service was unable to go ahead due to COVID-19 restrictions that were in place, which I think was out of BGS' control. So, I think there was an extended period of time where faults may have developed and on the balance of probability, I think it's reasonable for me to assume the fault with the flue collector happened during this time. So, I don't think BGS could've done anything to prevent this and

so, I don't think they've acted unfairly in relation to this aspect of the complaint.

I've then turned to Mrs S and Mr S' issue concerning the diagnosis made in July 2021. Mrs S and Mr S say a water leak wasn't discussed with them by the attending engineer. Nor was it included on the engineer's report. So, they dispute that a water leak was present and believe BGS included this to support their decision that a new boiler was needed.

I've looked at the engineer's report and I can't see a leak was mentioned. And I don't have any reason to dispute Mrs S and Mr S testimony that a leak wasn't mentioned to them by the engineer directly. So, I've asked BGS to confirm when a leak was identified. And BGS have confirmed that the corrosion found on the second visit was caused due to a leak which would've resulted from the split flue collector. BGS have explained one of the purposes of the flue collector is to allow condensed water back into the heat exchanger. So, if there was a split within this, the condensed water would leak out of the collector.

Due to the time that's elapsed since the diagnosis, and the fact the boiler has been replaced, Mrs S and Mr S have been unable to provide a second opinion from another engineer. So, I've had to think about what I think is most likely to have happened, based on the evidence I have available. And although I appreciate Mrs S and Mr S testimony, it is BGS who are the experts in the workings of a boiler.

BGS have explained condensed water passes through a flue collector. And it's not in dispute that there was a split in this. So, I don't think it's implausible that a leak could've been caused because of this.

Mrs S and Mr S have referred to the boiler over-heating. And as this condensed water was intended to pass through the heat exchanger to cool it down, I think this supports BGS testimony that a leak was present as the water leaked out of the collector rather than reaching the heat exchanger to cool it down. And it's not in dispute that there was corrosion present in the boiler when the flue collector was removed. And for corrosion to occur, I again think it's reasonable to assume there was water present to cause this. So, even though I don't dispute Mrs S and Mr S testimony that a leak wasn't mentioned to them by the attending engineer, I don't think this means there wasn't a leak present.

On the balance of probability, from the information and explanation BGS has provided, I think it's likely there was a leak, and this resulted in the corrosion which led to BGS diagnosis that a new boiler was required. So, I don't think I'm able to say BGS acted unfairly when making this diagnosis.

And I've seen within Mrs S and Mr S policy document it states that any boiler over the age of 10 years old wouldn't be covered for a replacement or the associated costs. So, as I think BGS acted fairly when stating a new boiler was needed, and Mrs S and Mr S' boiler was over 10 years old, I don't think BGS have a requirement to cover the costs of the replacement.

Despite this, I can see BGS did make an offer to Mrs S and Mr S, to account for the costs of the repair that couldn't be completed, the policy cancellation and the loss of an annual service in 2020. I think this offer is a fair one on this occasion and it's down to Mrs S and Mr S to decide whether they wish to accept it if it hasn't been paid already.

### **My final decision**

For the reasons outlined above, I don't uphold Mrs S and Mr S' complaint about British Gas Services Limited trading as British Gas.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S and Mr S to accept or reject my decision before 13 April 2022.

Josh Haskey  
**Ombudsman**