

## **The complaint**

Mrs A complains about the service provided by British Gas Insurance Limited under her home emergency insurance policy.

Mrs A is represented in this complaint by her husband but, for ease, I'll refer to Mrs A throughout.

## **What happened**

Mrs A had a HomeCare policy with British Gas that included repairs to her boiler and central heating, and included an annual service. In July 2020 a British Gas engineer carried out an annual service on her boiler. In March 2021 Mrs A noticed water coming out of the bottom of the boiler and got in touch with British Gas. It said it might take three weeks to send an engineer due to strike action at the time. So, it suggested Mrs A find her own engineer and British Gas would reimburse her for the cost of any work done. The third-party engineer who visited condemned the boiler as they thought it was dangerous due to the possible leakage of fumes. They said the drain valve had failed above the boiler causing water to slowly drip onto the top of the boiler. This had caused the casing to rust and rot through. They said the extent of the rust would indicate it had been an issue for a while.

Mrs A complained to British Gas as she said its engineer should have identified the issue during the annual service in July 2020. Had they done so they might have prevented the damage and the potential dangerous release of fumes.

British Gas visited Mrs A's property and said it was clear there had been a leak above the boiler for some time which had caused the top of the casing to rust and been left in a dangerous situation. But it said it was unable to say what the damage would have been like when it carried out the annual service in July 2020 and whether it should have been noted. It said the case that rusted was decorative and not integral to the safety of the appliance. And as there was no perforation of the room sealed case, there was no danger to Mrs A. It said had there been internal rust, it would have been raised as an issue - but this was not needed as the external rust wouldn't cause a safety hazard. British Gas offered Mrs A £150 as a gesture of goodwill for the safety issues, having to get a new boiler last minute, poor service history and not having an engineer available when she needed one. Mrs A remained unhappy and complained to this service.

Our investigator noted that the terms of Mrs A's policy said that British Gas would only replace the boiler if it was between seven to ten years old. And as her boiler had been installed in 2001, it didn't meet that requirement. She said there was no record of rusting or leaking in the job report prepared by the engineer who serviced the boiler in July 2020. While Mrs A didn't feel as though the engineer had inspected the boiler properly, our investigator didn't think there was any evidence to support this. She also noted that British Gas engineers had recommended Mrs A replace her boiler on several occasions since 2013 due to its age and the difficulty getting replacement parts. She concluded by saying she couldn't say with any certainty that British Gas's engineer missed anything during the 2020 annual service.

Mrs A didn't agree with our investigator's view and so her complaint has been passed to me to make a final decision. I came to a different conclusion from that reached by the investigator and so sent a provisional decision to Mrs A and British Gas to give them an opportunity to comment. Neither party replied so my findings and my decision below are substantially the same as set out in my provisional 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.

The terms and conditions of Mrs A's HomeCare policy says British Gas will replace her boiler if it can't repair it and it's less than seven years old. It will also replace it if it's between seven and ten years old, British Gas installed it and it's been continuously covered under either a warranty or a HomeCare product. As Mrs A's boiler was installed over 20 years ago, I'm satisfied it was fair for British Gas to say it wasn't responsible for replacing her boiler under the terms of her policy.

The terms of Mrs A's policy also sets out what she can expect from British Gas during an annual service, including taking the boiler apart if that proves necessary and letting her know if it finds a problem or fault that needs to be fixed. The question here is whether the engineer who carried out the annual service on Mrs A's boiler in July 2020 did so adequately. Is it likely rust would have been evident at that time? And, if so, should the engineer have noticed it?

British Gas said it's unable to say if the engineer should have noted the damage during the annual service. It said the engineer would have noted the rust if it had been there and can only assume it wasn't rusty at the time. It also said the rust had affected the external casing, which is decorative rather than integral to the safety of the boiler, and there was no perforation of the room sealed case. So, there wouldn't have been any danger to Mrs A.

The third-party engineer who condemned the boiler said the top of the boiler was very rusty and the extent of the rust would indicate it had been an issue for a while. He said he condemned the boiler because of the possible leakage of fumes. Mrs A also said the engineer who removed the boiler thought the leak had been there for much longer than the eight months since the annual service. And she said the engineer who carried out the annual service hadn't looked on top of the boiler. Mrs A also provided an email from the manufacturer of her old boiler. They didn't comment on how long the rust had been there but they looked at the photographs and agreed the boiler should have been condemned as it would no longer be room sealed.

In situations like this, where evidence is incomplete or contradictory, I reach my decision on the balance of probabilities. In other words, what I consider most likely to have happened in light of the available evidence and wider circumstances. And having carefully considered all the available evidence in this case, including the photographs provided by Mrs A and the evidence provided by both parties, I'm more persuaded by the evidence put forward by Mrs A. On balance and, looking at the extent of the rust in March 2021, I think it more likely than not there was some rust there when the engineer carried out the annual service eight months previously. Although British Gas has said external rust wouldn't have caused a safety issue, which might explain why the engineer doing the annual service didn't note the rust, I'm satisfied there would have been at least a risk of fumes leaking from the boiler. So, I think it's reasonable to have expected the engineer to identify that rust as part of the annual service and to then have taken action to prevent further corrosion.

## **Putting things right**

Having decided that British Gas are at fault for not carrying out an adequate annual inspection in July 2020, what's the impact of that? Had British Gas done what it should have done at that time, it would have stopped the drip and assessed the damage to the top of the boiler. The damage might have been bad enough to condemn the boiler then. In that case, Mrs A would have been in the same position. She would have to have paid for a new boiler in any event as her HomeCare policy didn't cover her for a replacement boiler due to the age of her existing one.

If the damage hadn't been sufficiently severe to condemn the boiler, British Gas might have been able to replace the external casing and Mrs A might have been able to continue to use her old boiler. But the boiler was old and I can see that British Gas had been recommending she replace the boiler since 2013. So, I think it's likely Mrs A would have needed to pay for a new boiler at some point in the near future anyway. I think it's most likely she simply paid for a new boiler sooner than she would otherwise have needed to. So, I don't think it would be fair to ask British Gas to pay for the cost of her new boiler.

But I do think British Gas should do more to recognise the distress and inconvenience it's caused. Mrs A had to arrange for a third-party engineer to attend in March 2021 as there were no British Gas engineers available. Mrs A was also concerned she'd been living for eight months in a house with an unsafe boiler. That could have been avoided had the annual service been carried out adequately. She would also have avoided the inconvenience of pursuing the matter with British Gas. And I think British Gas should also reimburse Mrs A for the cost of the annual service that was carried out in July 2020. British Gas has already paid Mrs A £150 as gesture of goodwill but I think it should increase that to £400. So, it should pay Mrs A a further £250. I think that amount is fair and reasonable in all the circumstances.

Mrs A thinks British Gas should reimburse her for the premiums she continued to pay after March 2021 but I don't think that would be fair. She chose to continue with her HomeCare policy beyond that point and she continued to benefit from the cover provided.

## **My final decision**

For the reasons given above, my final decision is that I partly uphold Mrs A's complaint and direct British Gas Insurance Limited to pay her a further £250 for the trouble and upset caused by its poor service.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 2 August 2022.

Richard Walker  
**Ombudsman**