

## The complaint

Mr K has complained that British Gas Insurance Limited (British Gas) broke his boiler when it was carrying out work under his home emergency policy.

## What happened

While Mr K's boiler was being serviced, a water leak was found coming from the boiler. So, Mr K contacted British Gas to fix the leak. An engineer visited and assessed the boiler. The engineer returned a few days later and worked on the boiler for a few hours. He told Mr K that he would either need to break through the chimney lintel or Mr K needed a new boiler. The engineer also told Mr K the boiler was leaking gas and that he had capped it.

Mr K complained to British Gas. He said there was no gas leak before the engineer worked on the boiler and that British Gas should compensate him as he now needed a new boiler. When British Gas replied, it said the engineer had been unable to repair the boiler because the opening wasn't big enough. Its investigation showed the boiler had been capped off because of a water leak, not a gas leak. As it hadn't caused any damage to the boiler, British Gas said it would be unable to contribute to the cost of a new boiler. However, it offered £80 as a goodwill gesture because of inconvenience caused to Mr K by the sales team and the complaints team.

When Mr K complained to this service, our investigator didn't uphold it. He said the boiler seemed to be capped due to a water leak, even if British Gas misadvised Mr K it was due to a gas leak. He said Mr K was likely to have needed to replace the boiler regardless.

As Mr K didn't agree, the complaint was referred to me.

I issued my provisional decision on 22 September 2022. In my provisional decision, I explained the reasons why I was planning to uphold the complaint. I said:

*Mr K said he was told the boiler was capped due to a gas leak. He was also given a safety warning form by British Gas that said the boiler had been capped for this reason. When British Gas investigated, it said the boiler had been capped because of the water leak.*

*British Gas told this service the boiler was capped because it was unsafe, not due to a gas leak. It also said the engineers couldn't gain access to the boiler, which was a requirement of the terms and conditions of the policy. It said it couldn't complete the repair because of the access.*

*Although British Gas has said it was unable to gain access to the boiler, its records show that on the day the boiler was capped, the engineer had parts with him to fit and was at Mr K's property for about four and a half hours. British Gas has now also told this service:*

*"As a result of trying to remove the back boiler unit, plastic components had become broken and cracked and this would render it immediately dangerous, which Mr [K] was advised. So this would be why it was capped off due to incorrect working of an unsafe appliance and not a gas leak."*

*British Gas also told this service it didn't know whether the components were already broken or were broken by its engineer and then went on to say:*

*"This was not caused through engineer error or poor work quality, the appliance needed repairing and this was the only way the engineers could attempt to do this and was requested by Mr [K]. I would like to reiterate that British Gas were called out to a fault with the appliance and did not cause this. Even if the plastic components were not damaged, ultimately, the boiler would have been capped soon after, as there was a water leak and we were not allowed / given access to complete the repair, meaning the water leak / damage would have become worse, causing the boiler to become dangerous."*

*So, I think British Gas provided Mr K with incorrect information during the visit, and in its response to the complaint, about why the boiler was capped. It wasn't because of a gas leak or a water leak, it was because of broken plastic components.*

*However, British Gas doesn't think it needs to take any responsibility for the damaged plastic components or for the boiler being declared immediately dangerous. British Gas seems to be suggesting that its engineer was reluctant to attempt a repair and only did so at the request of Mr K. Even if that was the case, I haven't currently seen evidence to show Mr K was warned of any risks around attempting the repair. British Gas has also said the engineer told Mr K the components had been broken and this made the boiler dangerous. But this is inconsistent with the evidence previously provided by British Gas. This includes British Gas' response to Mr K's complaint, which quoted the engineer as saying "I capped the gas supply due to the boiler leaking water" and the safety warning form that said it was due to a gas leak.*

*British Gas has also argued that, regardless of the reason for the boiler being capped, it was inevitable the boiler would have become dangerous because the water leak/ damage would have got worse. I don't think the presence of the water leak, in itself, showed the boiler was dangerous. The company that serviced the boiler said it was safe to use. The water leak was also there at British Gas' first visit, but it didn't consider the boiler to be unsafe at that time. I've also seen no evidence from British Gas' second visit that the water leak was assessed to be worse or likely to get worse.*

*Like British Gas, I can't say whether its engineer did or didn't cause the damage to the plastic components. I think because British Gas provided Mr K with misleading information both during the engineer's visit and when Mr K complained, there isn't now a way to assess the damage itself or what might have caused it. In the circumstances, I currently think the fairest way to resolve this complaint is for British Gas to pay 50% of the cost of Mr K's new boiler. I also intend to say British Gas should pay interest on that amount from the date on which Mr K paid the invoice to the date on which British Gas makes the payment. This is because Mr K lost use of that money.*

*I've also thought about compensation. Mr K didn't think British Gas' explanation of what happened was correct and he was concerned that British Gas had broken his boiler. British Gas seems to have provided Mr K with inaccurate information about why his boiler was declared unsafe and, even after investigating the complaint, still didn't give him the correct reason. I think this will have added to Mr K's concerns about what happened to his boiler and why it was declared unsafe. As a result, I currently intend to say that British Gas should pay Mr K a further £200 compensation for the distress and inconvenience caused to him because of the misleading information he was given about his boiler.*

*I asked both parties to send me any more information or evidence they wanted me to look at by 20 October 2022.*

Mr K agreed with my decision and said that, in large part, what I had said should be done to resolve the complaint was what he had asked British Gas to do. Mr K also provided the invoices for the boiler and said he trusted British Gas would now pay.

British Gas disagreed with my provisional decision. In summary:

- It described the type of policy Mr K had and said this didn't include servicing or a First Service. So British Gas hadn't inspected the boiler for pre-existing faults. Nevertheless, the policy terms and conditions contained exclusions for pre-existing issues with the boiler.
- It described how the policy was first incepted and said Mr K would have had access to the full terms and conditions. It said British Gas didn't offer advice or recommendations for products. It was up to the customer to decide whether a product met their needs or requirements.
- British Gas summarised some of the visits that had taken place and that at one of those visits the engineer had noted "*Parts req shouldn't even be doing this*". It said it was reasonable to conclude from the wording used by the engineer that it was Mr K who had asked British Gas to do so. It said "*As the engineer had implied that the work was not covered, they had no other reason to continue and incur further costs, unless there were external influences at that time*".
- It added "*The engineer should have maintained the position that a repair could not be completed, however it is likely that the time of year was a contributing factor in what the customer chose to do at that time. It is our opinion that this is the only failing that can be attributed to British Gas*".
- British Gas again described the issue with the installation of the lintel, which made access difficult to carry out repairs. It said the policy conditions said the boiler should be readily accessible for inspection and maintenance.
- It also quoted the wording from my provisional decision about the presence of the water leak not showing the boiler was dangerous. British Gas said it disagreed. It said boiler's had electrical components. Although a water leak might not make a boiler unsafe in the short term, there would be longer term damage to the electrics, as well as corrosion. It said Mr K could have ignored the water leak indefinitely and he would have been in the same position.
- British Gas said, for the avoidance of doubt, that the issue with the lintel wouldn't have become apparent during a repair visit that took place a few months previously, as the valve that was replaced at that time was a separate component located away from the back boiler.
- It said that despite what Mr K had said about the age of his appliance, its records indicated that the appliance is reduced service listed. Manufacturers are only obliged to provide spare parts for a period of 10 years after manufacturing ceased. So, it said it was able to conclude that the boiler was more than 10 years old.
- British Gas then said that even if the boiler had been installed more recently, the policy conditions were clear that it would only be replaced if it couldn't be repaired and "*it's less than seven years old*", not installed within seven years. It said the installer could have had the boiler in stock for some time before it installed it. British Gas said it was satisfied that Mr K's boiler didn't meet the criteria for a replacement under the policy, which was the basis on which Mr K had raised his complaint initially.
- It said the issues weren't the result of engineer negligence, but were the result of poor installation or design fault. It said British Gas couldn't be held responsible.

### **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've decided to uphold this complaint and for the reasons given in my provisional decision. As part of that I've carefully considered the points made by British Gas, but these don't change my view about how this complaint should be resolved. I will focus on what I consider to be the key issues.

British Gas told Mr K his boiler had been condemned due to a gas leak. It later told Mr K it had actually been condemned due to a water leak. British Gas later explained to this service that neither of these explanations were correct. It said the boiler had been condemned because some parts had broken when a British Gas engineer tried to remove the back boiler.

British Gas has said its engineer wasn't responsible for the damage because he had "*implied*" the work wasn't covered. It said the engineer should have maintained his position and then speculated about Mr K's reasons for asking the engineer to go ahead. As I said in my provisional decision, British Gas seems to be suggesting its engineer was reluctant to do the work but, even if that was the case, I haven't seen any evidence that Mr K was warned of any risks around attempting the repair. I also haven't seen any evidence that the engineer told Mr K the genuine reason for the why the boiler was condemned.

British Gas has, again, argued that the water leak would have meant Mr K needed to replace his boiler at a later point anyway. I remain of the view that the water leak, in itself, didn't make the boiler dangerous. Neither the engineer that serviced the boiler or British Gas condemned the boiler due to the water leak being present. I'm aware that boilers have electrical components in them and can corrode, but that isn't why the boiler was condemned. It is speculation on British Gas's part about what would have happened longer term and how much longer Mr K would have been able to use the boiler for if the engineer had declined to do any work.

British Gas has also said that the issues were due to poor installation or a design fault. I accept there were issues with how the boiler was installed. However, the boiler was condemned due to components breaking in the boiler when the engineer removed the back boiler.

British Gas has also said it isn't required to replace the boiler under the terms and conditions of the policy. But it isn't based on the boiler replacement terms and conditions that I am saying it needs to contribute towards the boiler. It is because based on the evidence I've seen, although I can't say with certainty that British Gas's engineer broke the boiler, given the circumstances of what happened, including the misleading information British Gas provided to Mr K about why the boiler had been condemned, I think it's fair and reasonable for British Gas to contribute towards its replacements.

British Gas has also speculated about the age of Mr K's boiler. When I thought about how much British Gas should contribute, I considered the age of the boiler. British Gas's recent comments don't change my view on how the cost of the boiler should be settled.

### **Putting things right**

British Gas should pay 50% of the cost of Mr K's new boiler and pay interest on that amount. It should also pay an additional £200 compensation.

### **My final decision**

For the reasons I've given above and in my provisional decision, my final decision is that this complaint is upheld. I require British Gas Insurance Limited to:

- Pay 50% of the cost of Mr K's new boiler, subject to him providing suitable evidence of the cost.
- Pay 8% interest on that amount from the date on which Mr K paid the invoice to the date on which it makes the payment, subject to him providing suitable evidence of this.
- Pay an additional £200 compensation for the distress and inconvenience caused to Mr K.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 16 November 2022.

Louise O'Sullivan  
**Ombudsman**