

The complaint

Ms P complains about British Gas Insurance Limited (BGI) and the actions they took when servicing her boiler, which she feels led to her boiler being condemned unfairly.

What happened

Ms P held an insurance policy underwritten by BGI which provided Ms P with an annual service for her boiler, amongst other benefits. In September 2022, a BGI engineer attended Ms P's property to complete this service. But when BGI attended, they found a leak coming from the bottom of Ms P's boiler. And when they attempted to repair this leak, they discovered substantial rust within the boiler itself. BGI's engineer completed an integrity test on this rust, and the boiler failed this test. So, for safety, BGI's engineer capped the boiler and condemned it, explaining Ms P would require a new boiler altogether.

Ms P purchased a new boiler through BGI directly. But she was unhappy with the way this boiler was sold, as she didn't think it was fit for purpose. So, Ms P raised a complaint.

Ms P was unhappy with the sales process, and the suitability of the new boiler for home. And Ms P explained her belief that BGI had failed to service her boiler correctly in the most recent visit, and in the years directly before, and she felt this failure had led to the boiler being condemned. So, she felt BGI should've replaced her boiler at no cost to her. And she thought BGI should provide her with a new boiler more suitable at her property, while refunding her the amount she paid them for the replacement boiler she was unhappy with.

BGI responded to the complaint in two parts, addressing the sale of the new boiler and the service to the previous boiler separately. Regarding the servicing of Ms P's original boiler, BGI thought their engineer had acted fairly when completing the integrity test and then condemning the boiler. And they didn't think there was any evidence to show the previous service's to the boiler weren't completed correctly, or that a leak was present that created the rust that led to the boiler being condemned. BGI also explained the damage to Ms P's worktop was consequential and so, not covered under the terms of the policy she held. So, BGI didn't think they needed to do anything more. Ms P remained unhappy with this response, so she referred her complaint to us.

Our investigator looked into the complaint and didn't uphold it. They explained they were unable to consider the suitability of the new boiler, or the way it was sold, as it was purchased outside of the insurance policy Ms P held and so, didn't fall within our service's jurisdiction. But they had considered the actions of BGI and their engineer when completing the annual service under the insurance policy. And having done so, they didn't think they were able to say BGI had acted unfairly, or in a way which had caused the rust that caused Ms P's boiler to be condemned. So, they didn't think BGI needed to do anything more.

Ms P didn't agree. She felt the engineer had forcefully put a screwdriver through her boiler and that if he hadn't, and instead fitted the new part, the boiler would still work. She also explained that rust had been present in the boiler for years previously and so, if BGI felt the rust made the boiler unsafe, then she felt BGI had left her using an unsafe boiler for a substantial amount of time. Ms P also explained the integrity test was only completed after

new parts had been ordered, and she didn't understand why the engineer would've done this if the rust meant the boiler was unsafe. So, she felt this supported her opinion that the engineer damaged her boiler unfairly, and this was why the boiler ended up being condemned. As Ms P 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.

Before I explain why I've reached this decision, I think it would be useful for me to set out exactly what I've been able to consider. I recognise Ms P has raised concerns over the sale of her new boiler, its suitability, and the service BGI have provided to her surrounding this. But as this new boiler was purchased from BGI on a chargeable basis, separate to the insurance policy Ms P held with BGI, these concerns aren't within our service's jurisdiction to consider. And so, I haven't thought about these any further.

Instead, I've focused on the complaint issues that revolve around the insurance policy Ms P held. In this case, the service BGI provided Ms P when they serviced her original boiler and specifically the actions they took around the time they decided to condemn it.

And I want to recognise the impact this situation has had on Ms P. I appreciate that, at the time BGI attended Ms P's property to service her original boiler, it was working and providing heat and hot water to her home. So, I recognise the shock Ms P would've felt when she was told the boiler had been condemned and why Ms P felt a sense of urgency to ensure a new boiler was purchased. I can also understand why Ms P would feel as though BGI were to blame for the condemning of the boiler, as the integrity test BGI completed created damage that she feels would not have been caused if the test hadn't been conducted at all.

But for me to say BGI should cover the costs Ms P incurred replacing the boiler, or to do something else such as compensate her for the upset she's been caused, I first need to be satisfied BGI have done something wrong. So, in this situation, I'd need to be satisfied that BGI's engineer made a mistake when condemning the boiler, including the tests he did to reach this conclusion. Or, I'd need to be satisfied that BGI could, and should, have identified a leak that, if prevented, would've prevented the condemning of her boiler. And I don't think I can decide that here.

I've first looked at the service history of Ms P's boiler, to understand whether there was an ongoing issue within the boiler that BGI should've identified. And, that identifying this would've resulted in the boiler not being replaced. And I've considered this history against the age of Ms P's boiler, which I recognise was of a significant age.

I can see that in the previous two services, conducted in 2019 and 2021, the boiler passed the annual service. And I can't see in the notes of this that any form of leak, or corrosion damage, was noted that would lead to the boiler being condemned. I note a leak was found in the service conducted in September 2022, but I recognise BGI's engineer, and their in-house engineering department, explained this leak was from a part underneath the boiler and not within it. And so, they didn't think this would lead to rust inside the boiler itself. I think this testimony is both logical and plausible and as I have no evidence to suggest that this view is incorrect, I think it is most likely correct based on the balance of probabilities.

I recognise Ms P has said there was a leak present within the boiler itself for several years. But I can't see that this was ever noted by BGI, or that it was reported by Ms P. And I've seen BGI's comments regarding this, explaining that if a leak had been present for this period of time, it would've become obvious outside the confines of the boiler itself. I note BGI have also explained that rust can be created inside a boiler due to heat and age, as well as the presence of a leak. So, as I've no evidence to show a leak was present in the boiler, and I note the boiler is of a significant age, I don't think I'm able to fairly say that there was an issue present in the boiler that BGI could, and should've, identified sooner.

I also note that there was a period of 14 months between Ms P's boiler service in 2021 and 2022. And I think this is a significant amount of time where the condition of Ms P's boiler could've changed and/or deteriorated. As the service in 2021 made no reference to a leak, or that the rust was of such an extent that the boiler needed to be condemned, I don't think I'm able to say for certain that the rust found in 2022 was present at a similar level to what was found in 2021. And because of this, I don't think I can say BGI should've condemned the boiler, or taken steps to prevent any damage, sooner and so, I can't say they've done anything wrong here.

I've then thought about the actions BGI took during the service in September 2022. I don't dispute Ms P's testimony that initially, BGI's engineer intended to replace the leaking part at the bottom of the boiler. And so, I can understand why she'd be left confused when the engineer decided against fitting this part and instead condemned the boiler.

But I don't think this means BGI did something wrong here. This is because, even if a new part was fitted, I'd expect BGI to ensure the boiler was safe and fit for purpose before approving the annual service. So, whether these checks were done before fitting the part, or after, I would still expect this work to be undertaken. And BGI have confirmed due to the rust found within the boiler, they conducted an integrity test which consisted of pressure being placed on the areas of rust itself to see if the structure of the boiler had been compromised. In this case, this pressure resulted in a hole being made in the boiler. I recognise why Ms P sees this as purposeful damage being caused to her boiler, but I don't think I can say that's the case. I think BGI and its engineer were taking relevant steps to ensure the boiler was safe acting in Ms P's best interests and that by doing this test, they safeguarded Ms P and her property.

Again, I recognise why Ms P would query why this test wasn't done before. But due to the length of time since the previous service, I'm unable to say for certain that the rust was present to such an extent that this test was required previously. So, for all the reasons above, I don't think I'm able to say BGI and its engineer acted unfairly in September 2022 when they tested Ms P's boiler and ultimately, decided to condemn it.

I also note Ms P questioned why BGI were refusing to repair the damage caused to her worktop by the leak that was found during the annual service. But I can see with the terms and conditions of the policy Ms P held that BGI are *"not responsible for any loss of or damage to, or cleaning of property, furniture or fixtures as a result of your boiler, appliance or system breaking or failing unless we caused it, for example damage by caused by water leaks"*.

As I've already stated above, I don't think BGI did anything wrong at the attendance in 2022, or in their previous service visits. So, I think the leak found under the boiler that had been dripping onto the worktop was due to a fault with the boiler, rather than the fault of BGI. And so, I think the term I've quoted above makes it reasonably clear BGI wouldn't cover this damage under the terms of the policy. So, I wouldn't expect BGI to complete this repair, or cover the costs of it.

So, for all the reasons I've listed above, I don't think I can say BGI have done anything wrong on this occasion. And because of this, I don't think they need to do anything more.

I understand this isn't the outcome Ms P was hoping for. And I recognise it doesn't address her concerns regarding her new boiler, or the costs she incurred purchasing this replacement. But I could only consider this financial impact, and any upset related to this, if I think BGI have done something wrong regarding the actions they've taken under the insurance policy. And I can't say they have here.

My final decision

For the reasons outlined above, I don't uphold Ms P's complaint about British Gas Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P to accept or reject my decision before 1 May 2023.

Josh Haskey
Ombudsman