

The complaint

Mr A has complained about the service provided by British Gas Insurance Limited in relation to his boiler and central heating insurance policy.

What happened

Mr A has had a boiler and central heating insurance policy with British Gas since 2011 for a property he lets out. The policy includes an annual service of the boiler. The annual service was carried out in 2021. British Gas says the next one was booked for 15 December 2022 along with a landlord's gas safety check. Mr A says it was only the safety check that was booked, even though the service was due from October 2022. There is also a dispute about what happened on that day and later.

It is agreed that British Gas's engineer that attended on 15 December 2022 said the boiler was faulty. British Gas says another engineer attended on 19 December 2022 and found the room thermostat was faulty and rewired it. British Gas says it was called out for another fault on 13 January 2023 and carried out a repair on the boiler by replacing the thermostat, seals and actuator. Whereas Mr A says that there was a failed appointment on 16 December 2022; an engineer did come out on 19 December 2022 but he didn't do any repairs to the boiler and said he needed a new part. The engineer returned on 13 January 2023, to carry out the repair but had to return three days later to complete the repair.

It is agreed that the boiler service was later booked to be carried out on 16 February 2023. British Gas says that at this visit the engineer found a hole in the flue, that the manifold was rotting and there were high levels of CO2 gas. The flue was not covered by the policy and the boiler was last manufactured in 2011, so British Gas said it could not carry out any repair to the flue; it capped the boiler off and recommended that Mr A have it replaced. Mr A is very unhappy about this. He says that if the boiler had been serviced properly in October 2022 as expected, the boiler would not have broken down. Instead, it was written off without warning. Mr A says his tenant was without heating and hot water, she has young children and was undergoing cancer treatment at the time; and she was left with an excessive bill as British Gas's engineer left the boiler running constantly. Mr A also says he had to raise emergency funds to install a new boiler. In addition, Mr A says the engineer went back to the property uninvited a few days after he had replaced the boiler to ask the tenant what he had installed and the engineer told the tenant it was not good enough compared to what he had recommended, which he found unprofessional.

Mr A has asked that British Gas refund the annual service charge, as he did not receive the service; pay for the replacement boiler, which was condemned due to its negligence; and compensate his tenant for the electricity bill and trouble caused to her.

British Gas accepts that it did not complete the annual service in December 2022 but says it has to prioritise repairs over service visits. British Gas also says that the hole in the flue would not have been prevented by an annual service, as it was caused over time by normal wear and tear. It says that if the annual service had taken place sooner, the outcome would have been exactly the same: the hole in the flue would have been identified and the boiler would have needed to be replaced. British Gas also says its engineers have been advising Mr A to replace the boiler since 2015.

British Gas did however, offer Mr A £100 compensation for the fact the annual service was not completed in 2022.

One of our Investigators looked into the matter. He did not recommend the complaint be upheld, as he was satisfied that the fact the annual service did not take place in late 2022 had not caused the boiler flue to deteriorate and the need for the boiler to be replaced. The Investigator concluded that the compensation already offered by British Gas was fair and reasonable in all the circumstances of the complaint.

Mr A did not accept the Investigator's assessment. He said:

- The tenant had no heating or hot water between 15 and 19 December 2022.
- The engineer left the boiler on continuously on 19 December 2020, so his tenant had heating and hot water from then but he did not reattend until 13 January 2023 to do the repair, which meant the tenant incurred a much higher bill than normal. He had to share part of this cost.
- Several appointments were missed or wasted, as British Gas's engineers were not appropriately qualified to do the repair, or didn't have the right parts.
- He was not previously told that he would need to change the boiler, despite the Investigator saying this is recorded on British Gas's file.
- British Gas left the boiler in a dangerous state with risk of electrocution by bypassing and tapping equipment during one of the visits. Doing this will accumulate in poor performance and unnecessary breakdown of the system.
- No issue with the flue was identified during the landlord's gas safety check and it was only after British Gas neglected the boiler and started bypassing parts in the control system of the boiler that the issues arose.

Mr A is also unhappy that British Gas has chased him for money it says is owed for policy cancellation charges. He says the boiler was replaced and he cancelled the policy, so there is nothing due.

As the investigator was unable to resolve the complaint, it was passed to me. I issued a provisional decision on the complaint in August 2023. I have copied the main part of my provisional findings below:

"There is a dispute about what exactly happened at each appointment but the main issue is that the annual service did not take place within the policy year (i.e. between October 2021 and October 2022). This is not in dispute. British Gas has offered £100 already for the fact the annual service did not occur in 2022.

Mr A is adamant that if the service had taken place, the boiler would not have needed to be replaced, or he could have been urged to replace the boiler earlier, rather than in an emergency situation as happened.

British Gas said it had advised Mr A he would need a new boiler for a number of years, which Mr A denies. I have no reason to doubt what Mr A says about this but I

do not think I need to make any finding as to whether he was so advised or not, as I do not think it makes a difference to the outcome of this complaint.

British Gas attended in December 2022 but there was an issue with the boiler. The annual service could not be done until the repairs that had been identified had been repaired. British Gas's records show that it rewired the thermostat on 19 December 2022 and carried out some further repairs in January 2023. I have no reason to doubt those records.

Mr A says that British Gas bypassed equipment which left the boiler unsafe and caused deterioration of the heating system. It is not clear but I assume that it is the rewiring done on 19 December 2022 that Mr A refers to. He has provided a photo of a cracked switch cover plate, which appears not to be attached to anything properly but it is not clear where this is positioned or whether it is operational.

I have not seen any independent or other convincing evidence that the rewiring work (or any other repairs done by British Gas) caused the boiler to be unsafe or caused its condition to deteriorate. The repairs carried out in January 2023 do not appear to be related to the rewiring of the thermostat; and the reason the boiler was later condemned was because of corrosion of the flue, which it seems to me would not be related either. I do not therefore consider that it has been established as likely that the rewiring caused, or contributed to, the breakdown or condemnation of the boiler.

The boiler flue was condemned in February 2023. However, there is no independent evidence to suggest that if the annual service had been carried out four months earlier, the flue would not have been in this condition. The corrosion of the flue is likely to have happened over time and it seems to me that, even if the annual service had been carried out earlier, the outcome would be the same that the issue with the flue would have been found and Mr A would have had to arrange urgent repair or replacement. I do not therefore consider that the delay in carrying out the annual service caused the problem with the flue and the boiler or the trouble to Mr A of this.

It also seems reasonable to conclude that the boiler flue was in satisfactory condition during the service in 2021 (otherwise it would have been picked up then). So even if Mr A had been advised in general terms then that his boiler was relatively old and should be replaced sooner rather than later, I've not seen anything convincing that, even though it was working safely and properly at that time ... he would have done so. In my experience most people wait until there is an issue.

Having considered everything, I do not therefore agree that British Gas is responsible for the cost of the new boiler.

Mr A is also unhappy with the way the claim was handled. He says there were delays, appointments were missed and parts weren't available so some other appointments were wasted. Mr A also says that British Gas left the boiler on continuously, resulting in a high gas bill.

Mr A has provided a copy of the job sheet left at the property on 15 December 2022, which says an appointment was made for the next day. So there is evidence of one missed appointment on 16 December 2022.

With regard to the high gas bill, British Gas's record of the attendance on 13 January 2023 says that the previous engineer opened the mid-valve to manual (which I understand would ensure a supply of heating and hot water) and that a part would be needed but then closed the job. So I agree with Mr A that it seems British Gas did tell

the tenant they'd be back to complete the repair but did not do so until 13 January 2023. I've not seen any explanation why this took so long.

Mr A also said he had to share some of the cost of the excess fuel bill caused during this time. The action taken by British Gas on 19 December 2022 with regard to the valve might mean that either hot water or heating was being provided, when the household might only have needed one. If the tenant did not have heating and hot water, it seems to me reasonable to have done this at the time but it also seems to me that British Gas should have returned sooner than it did to repair this issue. I am satisfied that this delay could have resulted in a higher than usual gas bill. However, I have not seen any documentary evidence of the bill Mr A has referred to, how it differs from the tenant's usual bills, or Mr A's contribution to it.

I have no power to award compensation to any person other than Mr A. However, if Mr A wants to provide further evidence about any contribution he made to this bill, then I will consider it before issuing my final decision.

Mr A has also said his tenant had no heating and hot water for some time due to delays by British Gas and has asked that British Gas compensate her for this. However as stated, I cannot therefore make any award in respect of financial loss, distress or inconvenience to his tenant, which also includes any inconvenience caused by missed or wasted appointments.

Mr A also says a British Gas engineer returned to the property and criticised to his tenant the boiler he had installed. If this happened, I can understand why this would be upsetting. However, I have no independent evidence to support this and even if I accept this happened, I do not consider there is any award or direction I can reasonably make. I have not seen any [evidence] ... that this caused any material loss to Mr A.

Finally, Mr A has also referred to some debt collection letters he has received from British Gas. I am unable to consider this as part of this complaint, as this has not been raised before and British Gas has not had the chance to respond to Mr A's complaint about this, as far as I am aware.

Having considered everything provided to me, I think the offer of compensation of £100 is reasonable to reflect the trouble caused to Mr A by this matter including that the annual service was not carried out in 2022 and any trouble to him of the missed appointment and delays."

I therefore provisionally decided that I did not intend to uphold this complaint and that British Gas's offer to pay £100 to settle the complaint was fair and reasonable in all the circumstances.

Responses to my provisional decision

I invited both parties to respond to my provisional decision with any further comments or arguments they want considered.

Mr A has responded and confirmed he does not accept my provisional decision. He has made a number of further submissions. I have considered everything he has said but have set out his main points below:

- His boiler was always serviced at the same time as the gas safety check and it was only not done in December 2022 as British Gas sent someone that was not qualified to do the service despite it being overdue.
- The visit on 13 January 2023 was not a call out for repair. This was to fix the servicing of the boiler after first coming with the correct part on 19 December 2022; and that appointment was only necessary because they did not turn up on 16 December 2022.
- The tenant has confirmed that British Gas never advised the boiler needed changing in the nine years she's been there.
- If the flue problem was usual wear and tear, why was he not told about it in previous services. It is obvious that not servicing the boiler for 17 months and then leaving it to fire continuously for weeks could be the reason for serious damage to the unit, especially the flue system.
- He provided a letter from his tenant about the harassment from the British Gas engineer following him replacing the boiler. It appears he condemned his boiler to get him to buy a new one from British Gas.
- His boiler should have been serviced every 12 months. He paid £652.89 to British Gas between the last annual service and when the boiler was written off. No service was carried out in that time, so it is fair that he should be reimbursed this amount, as British Gas's negligence of his boiler led to its breakdown.
- The broken and taped switch box is part of the control unit of the boiler which is in the room with the water tank.
- He paid British Gas until February 2023 and it is inhumane that it harassed him for bills the same month. He asks that this be looked at.
- He had to spend a large amount of money on the new boiler which had not been planned for.
- He has provided evidence that the tenant had a gas bill £60 higher due to the boiler being left on constantly for weeks; and an electricity bill around £30 higher as a result of the problem with the boiler. He also provided evidence he paid the tenant £30 towards the electricity bill.

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.

Mr A says again that that only reason the boiler was not serviced at the initial visit in December 2022 is because British Gas sent someone unqualified to do the service and that the visit on 13 January 2023 was related to the service and not a repair visit.

I set out in my provisional decision that British Gas's records show the service could not be done in December 2022 as there was an issue with the boiler and the repairs needed to be completed before it could service the boiler. British Gas's records also show that it rewired the thermostat on 19 December 2022 and carried out some further repairs in January 2023. I said I have no reason to doubt those records and no further evidence has been provided to make me change my mind about this.

I also said I did not have any reason to doubt what Mr A had said about not being advised to replace the boiler at any previous service visit but that it also didn't make any difference to the outcome of this complaint. I remain of this opinion.

Mr A says it is obvious that the delay in servicing the boiler – which was around four months given it was due in October 2022 – and leaving it running constantly for several weeks would have caused the flue to be so damaged that it was condemned. However, there is no convincing evidence that if the boiler service had been carried out in October 2022, the flue would not have been in the condition it was in February 2023.

Corrosion to a flue is something that happens over time. It might not have been present in October 2021, when the boiler was last serviced. So there is no evidence to suggest that British Gas should have given Mr A any advice about this in 2021. I also remain of the opinion that there is no convincing evidence that the boiler flue was only condemned in February 2023 because the boiler was not serviced four months earlier.

Mr A has also sent in another picture of the cracked switch plate. It is still not possible to tell if this is operational or the position of the switch in relation to the boiler. Mr A says it is positioned in the room with the water tank. As stated in my provisional decision, I have not seen any independent or other convincing evidence that the rewiring work caused any problem with the boiler. The repairs that needed to be done to the boiler do not appear to be related to the rewiring.

Given all this, I remain of the opinion that even if the annual service had been carried out in October 2022, it is likely the issue with the flue would have just have been found earlier and the boiler would still have needed to be replaced.

With regard to the electricity and gas bills, Mr A has provided evidence from his tenant that she incurred an additional £30 in electricity charges for the week the boiler was faulty (12 – 18 December 2022) compared to the previous week, and the following week. Mr A has also provided evidence that he paid her £30 for this on 24 December 2022.

However, the increased electricity charges for that week would have been as a result of the insured problem with the boiler, not as a result of anything British Gas did wrong. While there was a missed appointment on 16 December 2022, it seems to me it would have taken a few days at least to repair the boiler and the delays in repair were from 19 December 2022 onwards. I do not therefore consider that British Gas should be required to reimburse Mr A the £30 he paid his tenant for increased electricity costs between 12 and 18 December 2022.

Mr A's tenant also provided copies of her gas bill, which was around £60 higher in December 2022 than in November 2022. She said this was because in order to get hot water she also had to have the heating on, while waiting for British Gas to complete the repairs. However, even if I were satisfied that she incurred this additional cost due to something British Gas did wrong, there is no evidence that Mr A made any contribution to this cost. As stated in my provisional decision, I cannot make any award in favour of Mr A's tenant and in the absence of any evidence that Mr A is out of pocket because of this, I do not think I can reasonably ask British Gas to make any payment in this regard.

Finally, Mr A's tenant wrote in an email that British Gas's engineer returned to the property and told her that they should have had a combi boiler fitted, as that's what all the other houses in the street have. I do not think this amounts to harassment and I do not consider there is any award or direction I can reasonably make in relation to this, as I have not seen any evidence that this caused any material loss to Mr A.

Having considered everything provided to me, I still think the offer of compensation of £100 is reasonable to reflect the trouble caused to Mr A by this matter including that the annual service was not carried out in 2022 and any trouble to him of the missed appointment and delays.

My final decision

British Gas Insurance Limited has already made an offer to pay Mr A £100 to settle the complaint and I think this offer is fair in all the circumstances. So my decision is that British Gas Insurance Limited should pay Mr A £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 31 October 2023.

Harriet McCarthy
Ombudsman