

The complaint

Mrs H's complaint is about the service provided by British Gas Insurance Limited in relation to a central heating insurance policy.

What happened

Mrs H's policy provides cover for her boiler and central heating system. The policy also includes an annual service of the boiler. The boiler was serviced on 6 October 2023 and deemed to be working safely. Around ten days later, when Mrs H put the heating on for the first time, she says the boiler tripped and had to be reset. I understand the heating worked but Mrs H says some radiators were not heating up.

On 29 October 2023, Mrs H says the boiler stopped working again. She reported the breakdown to British Gas and it sent an engineer out to look into it on 31 October 2023. The engineer said the radiators were not working, which meant the boiler was overheating. He told Mrs H the radiators should have been checked during the annual service.

British Gas says the engineer drained the system and bled the radiators, although I note that Mrs H disputes he bled the radiators. The engineer also replaced a thermostatic valve on one of the radiators and said that would resolve the issue. However, Mrs H says that two hours after he left, the boiler tripped again.

Another engineer attended on 3 November 2023 who said a valve had been left switched on in the hot water cylinder cupboard, which would have caused the boiler breakdown following the visit on 31 October 2023.

During this appointment, the engineer also looked at the boiler and found that a flue seal had failed. The engineer said this was an obsolete part, so the boiler could not be repaired and would have to be replaced. Mrs H says the engineer told her that this should have been identified at the previous visits.

Ms H was very unhappy about this and complained to British Gas. She says she was without heating and hot water due to the errors made during the first two visits and the damaged seal should have been identified at the service visit. Mrs H says that during the time the boiler was not working, her partner had a serious accident and being in a cold house with no hot water made his recovery more difficult.

British Gas says the annual service was carried out correctly and the failed seal would not have been identified from the usual visual check of the appliance. British Gas says it does not have to check the radiators at every service visit, unless an issue is reported or identified. Its engineer confirmed he had asked Mrs H if there were any problems with the radiators and she confirmed there weren't. However, British Gas acknowledged that the service report recorded that the radiators had been checked, which it agreed was not correct. British Gas also accepted that the valve in the hot water cylinder cupboard had been left open, which had been the cause of the breakdown of the boiler after the visit on 31 October 2023.

However, British Gas says that neither of the engineers that attended those events would have inspected the boiler, so cannot reasonably be expected to have identified the issue with the flue seal.

British Gas offered £300 compensation for the valve being left open at the visit on 31 October 2023 and a delay in dealing with Mrs H's complaint. As the boiler was condemned, British Gas also refunded the premium to the date it last carried out a repair under the policy, i.e. 31 October 2023, in accordance with the terms of the policy (a payment of £49.38).

Mrs H remained unhappy with British Gas's response and brought the complaint to us. She has asked the £50 claim excess be refunded, the premiums she has paid for at least this year of policy cover be refunded and compensation for her loss of earnings in order to accommodate the appointments that were not necessary and she wants an apology.

One of our Investigators looked into the matter. She determined that the seals should have been checked during the annual service and if they had been then the boiler would have been condemned on 6 October 2023, rather than in November 2023. She therefore recommended that British Gas refund the policy premium with effect from 6 October 2023, rather than 31 October 2023.

Ms H accepted the Investigator's assessment. However, she wanted to highlight the stress and upset that was caused to her and her partner by British Gas's failure to service the boiler correctly, which has been exacerbated by its failure to communicate with her in the months since. She says the failure to service the boiler properly and identify the issue with the seal resulted in additional unnecessary visits and being without heating and hot water at a time her partner was dealing with a medical emergency.

British Gas did not accept the Investigator's assessment. It says it already refunded the excess payment before the complaint was referred to us. British Gas also says that "*if we aren't able to fix your boiler, you may be able to get a refund backdated to when you last had work done or to when you renewed your cover – whichever is most recent*". The boiler was fully operational before and after the service on 6 October 2023. At the boiler service all readings were taken and were within accepted levels. The last date a completed repair was done was 31 October 2023 and it has refunded the premium to then, which is in line with the policy terms.

British Gas also says that the flue seal was only found to be defective on 3 November 2023 when a further fault led to its engineer checking it. It does not accept this should have been checked and found by any other engineers. The flue seal would not be visible on a visual only inspection.

As the Investigator has been unable to resolve the complaint, it has been passed to me.

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.

I have noted what British Gas has said about its obligations when carrying out the annual service. It says that any problem with the flue seal would not be apparent on a visual check of the appliance and it would not normally be checked unless an issue is found that would lead them to check it. British Gas says its service engineer took gas readings and the boiler was fully operational, so had no reason to check the flue.

While the gas readings may have been within acceptable limits, I agree with the Investigator that checking the ventilation of the boiler is working safely (which is part of British Gas's definition of an annual service) would reasonably include checking the flue seals.

In addition, I have seen no explanation as to why the seal was checked on 3 November 2023. If it was reasonable for that engineer to check it or easy for him to identify it then it does seem to give weight to the argument that it should have been checked and identified at the annual service on 6 October 2023 (and also possibly at the visit on 31 October 2023).

If the problem with the seal had been identified at the service visit then the boiler would have been condemned on that date. So it is likely Mrs H would have been without heating and hot water for a time anyway, while she arranged a replacement. However, there were further visits after that date, which would not have been necessary and which caused additional inconvenience and trouble. Mrs H has asked for loss of earnings in respect of these visits. I have not seen any evidence of loss of earnings. In any case, we would usually consider a general compensation award to be more appropriate.

As the further visit were avoidable, I agree the policy excess paid should be refunded. I am pleased to note that British Gas has already agreed to this. British Gas has also already offered £300 compensation for the matter. I consider that reasonable overall, for the distress and inconvenience caused by the additional appointments and the valve wrongly being left open.

Mrs H says the £300 was sent to her but the name on the cheque was not the same as her bank account, so she has been unable to pay it in.

British Gas says that the last completed repair on the boiler was on 31 October 2023, so in accordance with the policy terms the premiums from that date should be refunded. However, as I consider the boiler should have been condemned at the annual service visit on 6 October 2023, I agree with the Investigator that the premiums should be refunded from that date, together with interest at our usual rate.

Mrs H has also asked for an apology from British Gas. However, I do not intend to make a formal direction that it apologise as a forced apology would just be insincere and futile. In any case, I note the final response letter 4 January 2024 did apologise for the poor workmanship on 31 October 2023 and her dissatisfaction with its service.

My final decision

I uphold this complaint against British Gas Insurance Limited and require it to do the following:

1. Refund the premiums paid by Mrs H with effect from 6 October 2023, together with interest at 8% simple per annum, from the date Mrs H paid the premiums to the date of reimbursement.
2. Refund the policy excess of £50 together with interest at 8% simple per annum, from the date Mrs H paid it to the date of reimbursement.
3. Pay Mrs H £300 compensation for the distress and inconvenience caused by its handling of this matter.

If British Gas has already paid any of these amounts then it only needs to pay the remaining outstanding amounts.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 5 July 2024.

Harriet McCarthy
Ombudsman