

The complaint

Mr and Mrs R's complaint is about the service provided under a central heating insurance policy with British Gas Insurance Limited. Mr R has been the main correspondent on the complaint, so I will mainly refer to him throughout this decision.

What happened

Mr and Mrs R held the policy with British Gas for a number of years. During a boiler inspection in March 2019, British Gas said the boiler needed to be replaced, as it was "*immediately dangerous*" and could not be repaired. It capped off the boiler, provided electric heaters and arranged for a quote for the replacement boiler. The boiler was replaced as a private job by another entity in the British Gas group.

Mr R complained about the installation of the boiler but that is not something we can consider, as it was not provided under the insurance contract.

Mr R has also complained about the recommendation to replace the boiler. He says British Gas failed to attempt a repair and the boiler did not need replacing. Mr R also says they should have been offered alternative accommodation, as the property was uninhabitable without a working boiler; and the policy also provided £1,000 towards access and repair which they were not given. Mr R has also complained about the general service provided by British Gas, in relation to this and some other matters since 2020, including missed appointments and the handling of phone calls.

British Gas said it had acted fairly and in line with the policy terms in recommending the new boiler in 2019, as the boiler could not be repaired. It said the boiler rear chassis was leaking carbon monoxide gas and this could not be repaired or replaced, as it was not available. British Gas did however, offer a total of £220 compensation for a number of issues (including some that are not part of this complaint) but to also include the communication and customer service issues raised.

Mr R did not accept this as a resolution of the complaint and so the matter was referred to us. He has made a number of submissions in support of the complaint. I have considered everything he has said but have summarised the main points below:

- British Gas never referred to the boiler rear chassis or explained at the time that this was the reason for replacing the boiler. It simply left a safety notice on the boiler which said: "*For all situations the following remedial works are required (write clearly) ESCAPE OF CO CHASSIS WELD IRREPARABLE*".
- He has continually requested British Gas to provide formal written proof from the boiler manufacturer that the carbon monoxide leak was coming from the chassis and that the chassis was irreparable; that the part was obsolete; the existing boiler was discontinued and a new boiler was needed. British Gas has refused to provide this evidence because it does not exist.
- The policy provides up to £1,000 including VAT, for getting access and making good for each repair but British Gas refused to spend the £1,000 allocated for the repair. Instead it passed on the expense to them, leaving them with no choice but to replace

the boiler.

- British Gas did not provide an independent quote for repair of the boiler, and no evidence to support that the chassis could not be repaired. It may well be that it could have been repaired for less than the £1,000 limit.
- British Gas can write anything in the job notes about what was done.
- Under Ofgem rules British Gas must meet minimum standards of customer service, which includes paying £30 compensation for each missed appointment, and another £30 for non-payment within 10 days.
- The compensation British Gas offered is not in line with this and needs to be itemised against the heads of claim he has made in order to check it is correct.
- British Gas failed to give them their rights under in March 2019 – they were not advised they were entitled to £500 towards alternative accommodation and were not given any other option but to replace the boiler.
- Instead, they were left in the middle of winter in 2019 in a house which was immediately unsafe, with no central heating or hot water, and was uninhabitable.
- The matter was passed between several case-handlers at British Gas which caused difficulty and inconvenience.

Mr R wants just over £2,000 from British Gas (made up from £1,000 contribution towards the cost of the new boiler, as allowed for under the terms of the policy; £500 alternative accommodation allowance; £120 for missed appointments and £400 compensation for the distress and inconvenience caused over four years).

One of our Investigators looked into the matter. She explained that we could only look at the advice to replace the boiler and issues about the missed appointment and other customer service issues in this complaint.

The Investigator said she was satisfied that British Gas had attempted a repair of the boiler in 2019, by trying to replace a boiler case and combustion seal, but the engineer also found a leak in the boiler chassis but this part was not available. She asked British Gas for more information about this and it provided a letter from the boiler manufacturer which confirmed the chassis was never made available as a spare part, so could not be repaired. The investigator was therefore satisfied the boiler was irreparable in 2019 and needed to be replaced. The Investigator also said the policy did not provide alternative accommodation allowance for the circumstances Mr and Mrs R were in and that British Gas's offer of compensation was fair for the issues raised.

Mr R does not accept the Investigator's assessment. He says it is not based on fact and is unsafe. Mr R also says that the evidence provided in 2024 by the manufacturer is not reliable when this happened in 2019. He also says that we can only use evidence in our findings which are a statement of fact. He has also said he wants compensation for being without heating and hot water while without a working boiler in March 2019; lack of notice of capping the boiler off; failure to provide gas supply in March 2019; telling lies; misleading and wrong information; rejection of the claim; and failure to provide certainty for repairing the boiler.

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

For the sake of clarity, this decision only addresses the decision to deem the boiler irreparable in 2019; alleged failure to make a contribution towards the cost of the new boiler; failure to provide alternative accommodation; missed appointments and communication issues.

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.

We are an informal dispute resolution service, offering a free (to consumers) alternative to the courts. Unlike the courts, we do not have strict rules of evidence and have no power to take evidence under oath. Where there is a dispute about what has happened, I have to consider what I think is most likely to have happened based on the evidence available.

Was the advice about the boiler in 2019 reasonable?

Mr R says British Gas has not proven that the boiler was irreparable in 2019 and it pushed them to have the boiler replaced unreasonably. Mr R also says he has asked that British Gas provide proof from the boiler manufacturer regarding this. Mr and Mrs R also said that British Gas didn't say the chassis needed replacing in 2019.

I have considered all the evidence provided to me, including the contemporaneous job notes on British Gas's file and the safety notice which Mr R says was put on the boiler.

Mr R has questioned the veracity of the job notes. In particular he disputes that they were ever advised the boiler would need replacing at any time prior to 2019. This was referred to by the Investigator in her view but I do not consider it material to my determination of this complaint, as in my opinion it turns on why happened in 2019. But in any event, I have no reason to doubt that the job notes on British Gas's file are an accurate record of what was done at the time.

British Gas's records show that its engineer initially thought he might be able to repair the boiler. I can see it ordered a new seal and cover and reattended to fit those. The engineer's notes however say that after he had replaced the door *"CO esc from weld on chassis"*.

British Gas says the engineer found the chassis was leaking carbon monoxide and said this could not be repaired or replaced.

This is consistent with the safety notice provided to Mr and Mrs R, which said: *"ESCAPE OF CO CHASSIS WELD IRREPARABLE"*. I am satisfied this means the chassis had a hole in it and British Gas's engineer considered it could not be repaired.

Mr R says there is no independent quote or other written proof that the chassis could not be repaired. I do not agree that British Gas is required to provide anything further. One of its gas safe qualified engineers inspected the boiler and concluded the chassis could not be repaired. It is entitled to rely on the opinion of its gas engineers. Mr and Mrs R have not provided any alternative expert evidence that would suggest this conclusion was not correct. I am therefore satisfied that British Gas has established it is more likely than not the chassis could not be repaired.

Mr R has said British Gas was contractually obliged to repair the boiler but, for the reasons given, I am satisfied it is more likely than not that this was not possible.

The manufacturer has provided an email dated June 2024 which says the rear chassis *"was never made available as a spare it would warrant a total boiler replacement"* and also confirms this boiler was out of manufacture in 2006 in any event.

Mr R says this evidence is not reliable as it has been produced several years after the event and that British Gas has never referred to the rear chassis previously at all.

I do not agree the letter cannot be relied on. The letter clearly states the chassis was never provided as a spare part. It confirms the front casing was available as a spare but not the rear chassis. The notes from 2019 record that British Gas tried to replace the boiler door/cover, which it seems is what the manufacturer refers to as the front casing but could not replace or repair the chassis. I have not seen any evidence to establish this is incorrect.

Having considered everything provided to me, I am satisfied this means the chassis could not have been replaced in 2019.

Given that the evidence is that the chassis was damaged and leaking carbon monoxide and that it could not be repaired or replaced, I am satisfied that British Gas acted reasonably in capping off the boiler and recommending the boiler be replaced. This also means, I do not think British Gas is responsible for any trouble caused to Mr and Mrs R in not having a working boiler while waiting for it to be replaced.

£1,000 for access and making good

Mr R says the policy provides £1,000 for the costs of repairs, as set out in the policy when it refers to cover for “*access and making good*” and as British Gas did not repair the boiler, it should pay this as a contribution towards the cost of the new boiler.

The £1,000 limit referred to is in relation to “*access and making good*” which is defined in the policy as:

“getting access to your appliance or system, and then repairing any damage we may cause in doing so, by replacing items such as cabinets or cupboards that we’ve removed and by filling in holes we have made and leaving a level surface.”

This provision under the policy relates to gaining access to a part or component of the boiler or central heating system in order to make a repair that is covered by the policy, such as lifting floorboards, or opening up a ceiling or wall. It is not a claim limit for the repairs needed to the system and there is no claim allowance as such.

If a repair were covered then it would be paid for but as set out above, I do not think British Gas was required to do anything else to try and repair the boiler and it needed to be replaced. There is no provision in the policy for a contribution to the cost of a new boiler in Mr and Mrs R’s circumstances.

Capping off boiler

Mr R also says they were not given seven days’ notice of capping off the boiler, which was unreasonable. The evidence is that the boiler was leaking carbon monoxide, which means it was immediately dangerous. British Gas acted reasonably and in line with safety requirements in capping the boiler off immediately and putting a warning notice on it. I am not persuaded that British Gas should have given Mr and Mrs R notice before doing so.

Alternative accommodation

Mr R says that they should also have been offered £500 towards alternative accommodation in accordance with the policy terms, given their home was uninhabitable as a result of the boiler being capped off. Instead, they were left in a home that was immediately unsafe, with no central heating or hot and cold water.

I acknowledge this would have been a difficult time. However, I do not consider British Gas was required to do anything further. It was right in my opinion to cap off the boiler, as explained above, and had no obligation under the policy to do anything more.

The policy does provide cover for alternative accommodation costs in limited circumstances: *“What’s covered ... Costs of up to £500 for alternative accommodation and travel if your home is unsafe to live in as a result of your boiler catching fire or exploding”*.

The boiler did not catch fire or explode, so this section of cover does not apply here. I do not therefore think British Gas acted unfairly or unreasonably in not offering Mr and Mrs R alternative accommodation in March 2019.

Compensation

Its final response letter of November 2023, British Gas offered £200 for issues raised by Mr R, including the missed appointments and incorrect referral rights. British Gas also acknowledged it had previously offered £20 which would be added.

Mr R says this is not enough. He says there were four missed appointments which should be compensated at £60 each, according to Ofgem rules.

Ofgem is the energy regulator, so its standards relate to British Gas as an energy provider, not British Gas Insurance Limited the home emergency insurance provider. There is no set compensation, or indeed any automatic right to compensation, for anything done wrong under an insurance contract. Rather we consider what is fair and reasonable in all the circumstances of the case.

I have considered everything provided to me carefully. While I acknowledge that any missed appointment is frustrating and inconvenient, I am not persuaded that any additional amount is warranted for this. And as it correctly recommended the replacement of the boiler and capped it off, British Gas is not responsible for any of the trouble this caused.

Mr R is also concerned about the number of different people he had to deal with and says he should have been given a single point of contact. That might have been preferable but British Gas is not obliged to do this. And as I think Mr R is already aware, we have no jurisdiction to consider complaint-handling in itself. This means I also cannot consider the incorrect referral rights as this falls under complaint-handling.

I have not been provided with any evidence of any failings that I would consider any additional compensation is warranted for.

In recent correspondence, Mr R has also said British Gas failed to acknowledge Mrs R was on the priority register. It seems this would also be in relation to energy provision but in any event was not raised with British Gas before as far as I am aware, so I cannot address it in this decision.

My final decision

British Gas Insurance Limited has already made an offer to settle the complaint and I think its offer is fair in all the circumstances. So my decision is that British Gas Insurance Limited should pay compensation as set out in its final response letter of November 2023.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R and Mr R to accept or reject my decision before 27 August 2024.

Harriet McCarthy
Ombudsman