

The complaint

Ms K's complaint is about the handling of her boiler and central heating insurance policy with British Gas Insurance Limited.

What happened

In 2023 Ms K contacted British Gas regarding issues she had with her boiler (there were frequent leaks dripping from the boiler and pipes) and was also worried that it was not operating efficiently, as her bills were high. Ms K says the boiler has been leaking since it was installed in 2014 and despite attending many times, British Gas has not resolved the issue. Ms K also reported an issue with the temperature of water from a tap.

British Gas attended in November 2023 and said the flue had been installed in a way that meant that in heavy rain, water could enter it and then appeared as a leak. British Gas said that while the flue was installed correctly, it is high up and exits the building horizontally, so it means it is vulnerable to rain getting into it, if the rain and wind are in a certain direction. British Gas said Ms K had reported leaks several times and it had replaced it in 2018 and had also appointed a roof slater to see if it could be resolved but the position of the flue was restricted, so there was nothing more it could do. British Gas says it did not install the boiler under the policy, it was installed as part of the Government backed "*Affordable Warmth Scheme*", and it is not therefore responsible under the policy for any issues caused by the installation.

British Gas also advised the tap mixer valve probably needed to be replaced.

As Ms K was unhappy with the response regarding the leak, it was arranged that Ms K would get her own contractor to look at the boiler again. British Gas agreed to reimburse the cost.

Ms K's contractor said: "*suspect flue seals perished or flue damaged as water leaking out air intake. Water dripping on electrics for boiler controls, but this was confirmed as no risk and the hot water blending valve is faulty and needs replaced.*"

He quoted £331.61 for doing the work identified (new seals and a mixing valve) and British Gas paid this to Ms K, plus £70 for the call out charge on 29 December 2023. Ms K confirmed she had the work done in January 2024 and told British Gas the call out fee had been £120, so it paid the further £50 difference.

Ms K was still very unhappy with British Gas's handling of the matter and complained. Ms K says the work the private contractor did should have been done by British Gas at some point since at least 2018. Her contractor said the flue had hard plastic seals when they should have been flexible rubber seals. Ms K also says that if the water leaks are being caused by the way the flue has been installed then British Gas should rectify this, as it installed it. Ms K also says that a British Gas employee used a derogatory term about her to one of the engineers while at her property.

In its final response letter to Ms K's complaint in February 2024, British Gas said it does not accept it did anything wrong. It says it tried to fix the reported faults and there was nothing more it could do regarding the water ingress. British Gas says it replaced the flue seals in 2018 when it replaced the flue, and in 2021, but they would not be seen on normal boiler service visits due to their position, and the issues reported to it did not indicate that a flue seal was worn.

British Gas also said that it had replaced the mixing valve in December 2022 it needed replacing again in 2023 but this is not due to anything it has done wrong. British Gas says it would have attended to both these issues, but Ms K wanted her own contractor and it has reimbursed her the cost which was over and above the normal provision under the policy.

British Gas also said that it was giving Ms K 30 days' notice that it was cancelling her policy on the basis of her behaviour towards its staff.

Ms K remained very unhappy with the matter and referred her complaint to us.

One of our Investigators looked into the matter. He did not recommend the complaint be upheld. He acknowledged that there had been several call outs for the ongoing issue with the flue but said British Gas had replaced the flue seals in 2018 and 2021, so it is fair to assume that they had worn again since then and that is why they needed replacing in 2023. The Investigator said that British Gas is not responsible for normal wear and tear of components like this and they would not have been visible during normal service visits, as they are only visible when the flue is removed, so he was not persuaded that they would reasonably be expected to know they were worn until there was an issue. The Investigator did not therefore think that the repairs Ms K's contractor did were necessary as a result of anything British Gas had done wrong. He also said that as British Gas did not install the boiler, it is not responsible for any design issue that would allow rainwater into the flue. The Investigator also considered that British Gas was entitled to cancel Ms K's policy

Ms K did not accept the Investigator's assessment. As a result, the matter was passed to me.

Ms K asked to be able to talk to me before considering my decision. I spoke to Ms K in August 2024. I made clear I could not discuss the merits of the complaint, or the likely outcome of my consideration of her case, but that I thought it was appropriate she have the chance to clearly state her position on the complaint to me. Ms K also provided some further information by email. I have considered everything Ms K told me and provided in writing to us and have summarised her main points below:

- During our conversation, she said she was not working in 2014 due to a health issue, so would not have been able to pay for a new boiler then. She also would not have been able to apply for a grant for a new boiler, as she is useless with computers and would not have been eligible. She wants us to get proof she would have been eligible for the grant scheme British Gas says she used, as she is adamant it installed the new boiler under the insurance after her boiler broke down.
- In a later email, Ms K said the boiler was installed through Affordable Warmth by British Gas, albeit contracted out. But that was its choice and British Gas is still responsible for the installation.
- If British Gas did not install it, why did it attend and sort out faults from 2016 onwards: *"surely they would have said then they didn't install it?"*
- She is not insured now because of lies from a British Gas employee and this has had a devastating effect on her mental health.

- She was charged £258.83 by British Gas for her policy in 2017 which is as far back as its records go. The boiler would have still been under warranty as it was installed in 2014, so if she paid for the policy since then she wants the money back.
- She has paid over the odds for this insurance and repeated call outs for the leaks but British Gas's engineers have failed to do the job. The flue is still causing a problem and British Gas has avoided replacing it.

In the meantime, British Gas has also provided some further information. It says that the flue was installed correctly but is nevertheless letting rain in during extreme weather because "*in certain locations in adverse weather a horizontal flue terminal can suffer from water being blow into the terminal.*" British Gas says that when it changed the flue, it did not change the run or position of it and there is a slight fall to allow condensate to run back towards the boiler. British Gas says the leaks Ms K is experiencing are therefore as a result of the position of the flue but this is not likely to cause corrosion or have any negative impact on the boiler itself; and there is nothing more it can do about this, as the flue would still need to be positioned as it is (a vertical flue not possible for Ms K's property).

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 can see this has been a long and stressful saga for Ms K. However, I do not intend to uphold this complaint, I will explain why.

Who installed the boiler in 2014?

British Gas says that the boiler was installed in 2014 by a separate legal entity on behalf of another part of the British Gas group as part of a Government funded scheme to provide free boilers to eligible households and not as a result of an insurance claim and not by British Gas Insurance Limited.

Ms K says the boiler was installed by British Gas and she believes it was as part of an insurance claim after her previous boiler was written off. Ms K's paperwork from the time shows it was installed by the entity British Gas says installed it. This was not British Gas Insurance Limited.

When we spoke, Ms K was also adamant that she would not have been able to apply for any grant for a new boiler and would not have been eligible for any such scheme. She asked us to get evidence that she was eligible for the scheme.

However, in an email to the Investigator on 2 September 2024, Ms K has also said it was installed as part of the "*Affordable Warmth Scheme.*"

I have considered everything carefully. There is no convincing evidence that the boiler was installed by British Gas Insurance Limited as part of an insurance claim. The installation paperwork provided by Ms K was from the entity that installed the boilers under the Affordable Warmth scheme for British Gas energy provider; and Ms K has now also said it was installed as part of that scheme. Given all this, I am satisfied that the boiler was not installed by British Gas Insurance Limited in its capacity as an insurer and as part of Mrs K's insurance cover.

While the British Gas (in its capacity as an energy provider) was involved in the arrangements to install the boiler, this is a different legal entity. I cannot therefore consider the way the boiler and flue have been installed as part of this complaint against British Gas

Insurance Limited and it is not responsible for any issues resulting from the way it has been installed.

Ms K questions why British Gas attended to any faults on the boiler if it did not install the boiler. The policy covered faults that developed or arose during the period of insurance but not issues arising from the way it has been installed.

Leaking flue

I can see from British Gas's notes that it first attended to water leaking in 2015 and said it was a result of rain getting into the flue and there was no leak from the boiler itself. And I can see that over the next few years there were several more visits about water dripping from the boiler. In late 2018 Mrs K says there was a larger leak and British Gas removed the flue and fitted a new 'elbow', it also instructed a roof slater to try and do something externally to stop rainwater entering the flue. In January 2019 it replaced the entire flue. However, I can also see that British Gas attended a number of times after that for the same issue and in 2021 it replaced the elbow again. Ms K says water was still leaking under the boiler and there was a further leak in late 2023.

I have considered everything provided. British Gas says that the water is dripping from the boiler as a result of the positioning of the flue, as it allows rainwater to enter it. British Gas says that flue has to be horizontal (albeit with a slight rise to allow condensate to flow back towards the boiler) due to the fact Ms K's property is a flat and therefore a vertical flue (through the roof) is not possible.

Ms K says this cannot be the reason, or the only reason, for the leaks, as it has happened even when it has not been raining.

British Gas's records show that it has investigated the cause of the leaks many times and carried out work to try and resolve it. I note that one contractor Ms K asked to attend to quote in late 2023 also said that the water was getting in due to the position of the flue and that it should be repositioned or the manufacturer might have a flue solution but they would not do the job.

The contractor that did carry out work to Ms K's flue replaced some seals. Which has apparently alleviated the issue but Ms K told me it is still leaking sometimes.

Ms K says the contractor told her that the wrong type of seal were used but I have not seen any independent evidence of that from the contractor. British Gas says that seals inevitable degrade over time. I can see that British Gas replaced the seals previously. I have not seen any persuasive evidence that it used the wrong type of seals and that this caused the leaks or that it should have noticed the seals were degrading again.

Having considered everything carefully, and while I acknowledge how worrying this issue has been for Ms K and the stress of repeated call-outs, I am not persuaded that British Gas has done anything wrong. I think it was reasonable to pay the costs of the private contractor to do the work he did, but there is no convincing evidence that there is any other fault with the boiler or flue that should and could have been resolved by British Gas under the insurance policy. And the evidence supports that the water leaks are due to the position of the flue and the policy does not cover any issues resulting from the design of the system and how it has been installed. Despite my sympathy for Ms K's position, I do not therefore intend to ask British Gas to do anything further.

Mixing valve

British Gas says this was a new issue in late 2023 and not linked to the ongoing issue with the boiler. It said the valve needed to be changed but agreed to pay the private contractor to do it. I think that was reasonable and I cannot see that it acted incorrectly in regard to this issue.

Comment from British Gas employee

Ms K has said that a British Gas employee used a derogatory term about her while talking to an engineer at her property. There is no independent evidence to support this and the employee vehemently denies it. I cannot therefore be certain what happened. Obviously if it was said, it would have been upsetting for Ms K but it has not impacted the outcome of her claim or complaint. I do not therefore consider I can make any award or require British Gas to take any action about this.

Policy premiums

Ms K has recently said that if she was paying for this insurance while the boiler was under warranty then she wants the premiums refunded. This has not been raised with British Gas before as far as I am aware, so I cannot make any finding about this in this decision. However, I note British Gas says there was a year's manufacturer warranty on the boiler, which was installed in 2014 and Ms K started paying for the policy in 2015.

Was British Gas entitled to cancel the policy?

In July 2023, British Gas issued a warning to Ms K about her behaviour towards its engineers during attendances at her property. British Gas said the engineers had reported she was rude and aggressive when told there was nothing more they could do; she would threaten to harm herself and was filming the engineers and being confrontational when asked to stop.

Ms K was extremely upset by this and spoke to British Gas. After that discussion, British Gas wrote to Ms K in September 2023 and said that, as it accepted she had not intended any malice or mean to cause worry to its engineers, it would continue the policy. British Gas also asked Ms K to be mindful of the impact of what she says on its staff.

However, British Gas says that during further attendances in December 2023, Ms K's behaviour was again inappropriate. British Gas says she threatened her own life to the engineer and its engineers did not feel safe going back to the property. Therefore in its final response letter in February 2024, it notified Ms K it would cancel the policy with 30 days' notice. British Gas also confirmed that the cancellation of the policy would not be recorded on any external insurance databases.

Ms K says she has not seen any evidence of bad behaviour towards engineers in the information sent to her as a result of her subject-access request to British Gas. She asked that we get proof that she said or did any of the things alleged. Ms K also says that it is "*a bit suspicious, nothing said or recorded regarding my behaviour before I wrote asking for things to be checked*".

It is of course impossible for me to be certain what was said by either party during any visits. And while we have an investigatory remit, I have no power to take evidence under oath.

I therefore have to consider the evidence that is available to me and determine what I think is most likely to have happened and based on that whether British Gas acted reasonably in cancelling Ms K's policy.

I have considered the correspondence between Ms K and British Gas. I have also considered the copies British Gas has also provided of some social media posts Ms K made detailing her complaint about British Gas.

The letter British Gas wrote to Ms K agreeing to continue her cover suggests that during the telephone conversation about this, Ms K accepted she had said things about harming herself but that she did not mean them. I note that one of the social media posts is written in a similar vein. Given this, it does seem to me credible that Ms K may have said such things to the engineers attending her property. I can therefore understand why British Gas decided that it was appropriate to communicate with her about this.

Ms K says the content of that “*warning*” email upset her greatly. I can understand that and it could perhaps have been written in a different way. But overall, I think British Gas was entitled to write in the way it did.

British Gas says this then happened again. While I have no independent proof to support this, and I note Ms K thinks this is because she has complained, overall having considered everything very carefully, I do not think I can reasonably require British Gas to reinstate the policy.

I think it is entitled to take the action it did and cancel Ms K’s policy. It gave her notice, so she had time to arrange alternative cover if she wished and it has not recorded this on any external database, so it would not affect her chances of getting alternative cover. Overall, I do not think it acted unfairly or unreasonably.

My final decision

Despite my sympathy for Ms K’s position, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Ms K to accept or reject my decision before 6 December 2024.

Harriet McCarthy
Ombudsman