

The complaint

Mr G is unhappy with the service provided by British Gas Insurance Limited in relation to her central heating insurance policy.

The parties will see that I've changed the 'respondent' from British Gas Services Limited to British Gas Insurance Limited. This is because we have no jurisdiction over British Gas Services Limited for a complaint about the handling of the insurance policy; it's only an insurance intermediary, not an insurer.

This is an important legal technicality but it does not affect the outcome of the case and as British Gas Services Limited responded to the complaint on behalf of British Gas Insurance Limited, there's no need for it to review the matter again or issue a further final response.

What happened

In early December 2023, Mr G was unable to turn his boiler back on after a power cut. He contacted British Gas and it sent an engineer out. Mr G says that the engineer told him that he needed to replace two parts. Mr G says he was not convinced this was required, as the boiler had been working fine before the power cut.

Mr G says the engineer came back the next day and fitted the parts but this did not repair the boiler and the engineer told him that a further four parts were needed. These were also ordered and fitted but still the boiler would not work. The engineer then told Mr G the boiler was irreparable and he needed a replacement. Mr G had already obtained a quote for a new boiler in October 2023 (before this claim) and I understand the new boiler fitted on 15 December 2023.

However, shortly before the new boiler was fitted, Mr G complained to British Gas as he says the engineer did not know what he was doing and he is certain the boiler was repairable. Mr G also said he was very unhappy at having paid so much for the policy over several years and when he did make a claim British Gas couldn't help him. He says the policy was therefore a waste of money.

Mr G says British Gas told him that the engineer could have tried replacing the PCB and the boiler would have been repairable but there was no time to check this before the new boiler arrived. He says he was told British Gas would look at the quote for the new boiler and see what it could do about a contribution towards the cost or a deduction, thereby admitting liability.

However, British Gas refused to make any contribution towards the cost of the new boiler, as it said it had acted reasonably. British Gas says the engineer recorded that he had attended a fault with the boiler and identified the pressure switch needed replacing and then when he went back out the next day to fit it, there had been a power failure in the street which had also blown the PCB. The engineer said the boiler was not repairable, as while a replacement PCB was available, he thought it likely the boiler would still not work; and, as the boiler was over 25 years old and on a reduced part list for some time, recommended it be replaced. British Gas says this was reasonable and that Mr G had opted to go ahead with the

replacement of the boiler himself.

British Gas also said that in the event the boiler can no longer be repaired, its policy is that the central heating part of the cover would be removed and the premiums for that cover refunded to the date of the last successful repair. British Gas said the last successful repair was in October 2023, so it refunded the two premiums Mr G had paid since then for the central heating part of the cover (which was £80.05). It did not agree to refund any other premiums, as the policy is one of insurance and as such provides the policyholder peace of mind but there's no refund if the policy is not used, or have limited call outs.

As British Gas did not change its position, Mr G brought the complaint to us. Mr G has made a number of points in support of his complaint. I have considered everything he has said but have summarised his main points below:

- There was only one power cut, which was before the engineer first visited.
- Last time there was a power cut, the engineer got the boiler working straight away. This time, the engineer did not know what he was doing. He replaced numerous parts but if the PCB had blown because of the power surge then this should have been the first part replaced.
- The engineer's report (which he was hoping would help support a claim to the electricity provider for damaging his boiler) isn't really a report and could have been written by a child.
- It was not his decision to replace the boiler, rather than get it fixed. He was told his boiler could not be repaired, that's why the new boiler was ordered.
- The complaint-handler then looked into it and confirmed it was repairable and apologised. The complaint-handler told him he would check the quote for the new boiler and get back to him about a contribution. This was an admission of liability but he did not get back to him.
- He was not previously advised the boiler was on a restricted parts list but in any case parts were available for his boiler
- He had had most of the parts of the boiler replaced over the years by a friend, so it was technically a new boiler and had been working fine before this claim.
- He has paid for the policy for years for nothing, as when the boiler needed repairing British Gas didn't fix it.

Mr G has asked that British Gas pay for the new boiler or a refund of all the premiums he has paid for this policy over the years, as British Gas did not do everything it could to repair his boiler.

One of our Investigators looked into the matter. She did not recommend the complaint be upheld. She said the renewal documents from 2020 onwards said the boiler had not been manufactured for some time and therefore some parts not available. The Investigator also said that there was no evidence that the PCB would have fixed the boiler and ultimately Mr G decided to go ahead with the boiler replacement

Mr G does not accept the Investigator's assessment, so the matter has been passed to me.

In the meantime, Mr G has provided copies of call recordings, of the initial claim report and his call with the complaints representative.

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 G says his cover for the boiler is until it can no longer be fixed, parts become unavailable or the boiler is replaced. Mr G says British Gas's engineer didn't know what he was doing and should have been able to repair the boiler. He would not then have had to pay for a new boiler and the premiums he has paid for all these years would not have been wasted.

I have listened to the calls provided. The first call when Mr G reported the claim was on 5 December 2023. Mr G refers to the power cut already having happened the day before and the boiler not coming back on after that.

The engineer attended the next day and the log of that visit log says: "*attended on 6 Dec CODE 5 Stats*" (which British Gas has said means a new boiler was recommended). The notes do not say anything else about the visit on 6 December 2023 but it is agreed that the engineer said some parts needed replacing.

The engineer's log of the next visit on 7 December 2023 says: "*street electrics blown overnight and blown board*" and some other parts were ordered and then on 11 December 2023 "*Cus getting new boiler already has British quote*".

It is possible there was another power cut between the first engineer visit and the visit on 7 December 2023 but it seems unlikely. I am satisfied the evidence shows the power cut happened before the engineer's first attendance. It therefore seems to me that the engineer's record of the sequence of events is not entirely accurate. However, I do not think this means the boiler was repairable. I will explain why.

The engineer didn't try and replace the PCB. British Gas's engineer said this is because it was likely it would not resolve all the problems with the boiler.

Mr G says he was told the boiler was irreparable and British Gas should have tried everything possible to repair the boiler and so should have replaced the PCB. Mr G says British Gas agreed to look at the quote for the new boiler, thereby accepting liability but it later denied this.

I have listened to the recording of the call between Mr G and British Gas complaints team representative on 11 December 2023.

The representative said the engineer had recorded the boiler could not be repaired. Mr G said he was very unhappy that it couldn't be fixed because he may as well not have paid for the policy.

British Gas's representative offered several times during the call to send someone else out to Mr G's property to give a second opinion to see if the boiler could be repaired but Mr G didn't choose that option. He repeatedly asked for a refund of premiums paid, as he didn't think he'd got value for money from the policy, or a reduction on the cost of the new boiler.

The representative made clear in my opinion that he was not able to give any discount on the price of the new boiler but he could ask the question of the part of the business that deals with the new boiler installation. There was nothing in that conversation that I think was an admission of any liability on British Gas's part.

British Gas says Mr G confirmed his agreement to go ahead with the new boiler quote on the same day as the above call with its complaints representative (*i.e.* 11 December 2023) although I have not seen any documentary evidence of that.

I cannot be certain what was discussed at the appointments but having considered all the other evidence available, I do not think I can conclude that Mr G was not treated fairly. There

is no convincing evidence that the boiler was repairable and British Gas offered to get another engineer to look at it and see if the boiler could be repaired before Mr G went ahead with the new boiler.

I appreciate that Mr G is concerned that he has paid for this policy for a long time and feels he has not had any benefit from it. However, the insurance he paid for has been provided and I am not persuaded that any further refund of premiums is warranted (beyond the refund already offered).

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 6 January 2025.

Harriet McCarthy
Ombudsman