

The complaint

Mrs T complains about the service she received from British Gas Insurance Limited under her home emergency insurance policy. She's also unhappy that it won't reimburse her after she paid for a third-party engineer to resolve an issue with her central heating.

British Gas is the underwriter of this policy i.e. the insurer. Part of this complaint concerns the actions of its agents. As British Gas has accepted it is accountable for the actions of the agents, in my decision, any reference to British Gas includes the actions of the agents.

What happened

Mrs T held a home emergency policy with British Gas which included an annual service. In October 2023, Mrs T contacted British Gas because her heating wasn't working. An engineer attended a few days later but he was unable to get the heating working. He said that there was a blockage in the pipework and a powerflush was required.

Mrs T arranged for an engineer from another company to attend. He didn't have time to fix the issue, so he returned a few weeks later to resolve the problem. In the meantime, British Gas attended a second time and Mrs T was given a quote for a powerflush.

Mrs T raised a complaint with British Gas. She felt British Gas was responsible for her and her husband being left in the cold because its engineers hadn't diagnosed a blocked filter. She said it had tried to sell them a powerflush and a new boiler which weren't needed.

British Gas said it had reviewed the invoices from the third-party engineer and concluded that a powerflush was carried out as part of their work, which was not covered by Mrs T's British Gas policy. It said it had offered Mrs T £90 as compensation for inconvenience due to the time it had taken to get to that point and appointments not being offered within expectations. It had also offered her £74.82 as a policy discount. It said it wouldn't be able to offer any reimbursement for the work carried out by the third-party engineer as it wasn't covered, and it was sending her the £90 compensation by cheque.

Mrs T remained unhappy and asked our service to consider the matter. She said British Gas hadn't applied the policy discount it had offered, and she'd spent a lot of time on the phone trying to sort this out. She said she thought the magnetic system filter had caused the blockage and documents from the annual services showed that this had never been checked.

I issued a provisional decision on 29 January 2025 where I explained why I intended to uphold Mrs T's complaint. In that decision I said:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint."

Based on what I've seen so far, I intend to uphold Mrs T's complaint, I'll explain why.

British Gas says that when its engineer attended in October 2023, they replaced the pump and recommended a powerflush be completed. It says a powerflush was upgrade work not covered by Mrs T's policy.

The policy's terms and condition say:

"British Gas Powerflush

Over time, gas central heating systems build up sludge that can block or narrow your pipes, radiators and boiler parts.

British Gas Powerflush is our way of removing that sludge from your system.

We'll tell you if your system needs a powerflush to work properly. You'll need to pay for it separately – it isn't included in your cover...

If someone else carries out a powerflush for you, you'll need to show us the receipt before we carry out any more repairs or replacement work for damage caused by sludge."

I'm satisfied from the above that the cost of a powerflush wasn't covered by the policy.

Mrs T says she doesn't believe that a full powerflush was necessary to resolve the issue with her heating.

There are two invoices from the engineer who attended Mrs T's property. The first one says:

"Job details

- Attended property due to lack of heating.*
- Attempted to clear blockage.*
- Suspected system full of sludge causing lack of circulation and system to overheat."*

The second invoice says that the primary heating circuit was flushed out, the system filter was removed due to it being blocked and two litres of inhibitor was added to the central heating system.

British Gas says the invoices show that a powerflush was carried out as part of the third-party engineer's work. Mrs T disputes this. She says the engineer only carried out a partial powerflush. Regardless of whether it was a full or partial powerflush, it seems that the third-party engineer carried out work to remove sludge from Mrs T's system. The build-up of sludge would be a maintenance issue due to gradual wear and tear, rather than a one-off incident. So, I'm not persuaded this work was covered by Mrs T's home emergency policy.

However, Mrs T has also raised concerns that British Gas failed to properly carry out annual services. She says it never checked or cleaned the magnetic system filter during annual services going back many years. She believes that the issue with her heating was caused by the filter becoming blocked.

Mrs T's policy entitled her to an annual service which is defined as "a check in each period of insurance to ensure that your boiler, gas appliance or central heating and ventilation is working safely and in line with relevant laws and regulations..."

British Gas has told us that a filter is something it would expect to be checked when attending for the service of the boiler. British Gas has also provided comments from its technical experts as follows:

"There are different types of filters but essentially they all do the same thing. If a filter wasn't

cleaned for one year then there would be no major impact on the system as the filter would still be able to collect debris from the water up until it became fully blocked and at this point the heating and/or hot water would not work as there would be no flow of water through the filter. If the filter was not cleaned for several years then it would still work but the amount of debris that the filter would be able to collect we [sic] be reduced until it become [sic] full.

In summary the filter not being cleaned for one year would have no major impact on the filter or the system. Not being cleaned for several years would create a greater chance of the filter not being able to collect the sludge/magnetite from the system which could cause the pipes to become blocked/restricted enough to prevent the system from working correctly."

Mrs T has provided customer checklists from British Gas's sub-contractors dated April 2021 and August 2022. On these, there is a list of items under annual service with "yes", "no" and "advice" boxes next to them. Next to "magnetic system filter checked" the "no" box is ticked on the checklists for both years.

Mrs T says the next annual service was scheduled for November 2023. British Gas's records confirm that it couldn't complete the service on that visit as it needed the flush to be carried out first.

I don't have any information about services prior to April 2021, but I think it would be reasonable to assume that the previous service would have taken place a year or more before. So, based on what I've seen, I don't think the magnetic system filter was likely to have been checked or cleaned for more than three years when the heating stopped working in October 2023.

British Gas says not clearing the filter in 2021 and 2022 did not cause the sludge and scale to form in the boiler as poor water quality, sludge, scale and debris is something which will build within a central heating system over time and can block pipes, radiators and components. It says it's not possible to know when the filter became blocked.

The purpose of a magnetic system filter is to prevent a build-up of contaminants before a blockage occurs to avoid the need for a system to require a powerflush. It's recommended that a magnetic system filter is cleaned during an annual service.

British Gas's own experts have suggested that a filter not being cleaned for several years could cause a blockage which would prevent the heating system from working correctly. And the third-party's engineer's invoice says that the system filter needed to be removed due to it being blocked.

On balance, I think it's likely that British Gas's failure to carry out proper services in 2021 and 2022 caused the issue with the heating system in 2023. So, I think it would be fair for British Gas to reimburse Mrs T the costs of getting the third-party engineer to resolve the issue.

I understand Mrs T was left without heating for around three weeks while she waited for repairs to be carried out. She also had the inconvenience of arranging repairs and the frustration of trying to get her costs reimbursed. So, I think it would be fair for British Gas to pay her a total of £300 for distress and inconvenience. This includes the £90 it's already paid her and the policy discount it offered her."

I set out what I intended to direct British Gas to do to put things right. And I gave both parties the opportunity to send me any further information or comments they wanted me to consider before I issued my final decision.

Responses

British Gas said it had an appreciation for the failings identified in the magnetic filter not being checked during the service visits in 2021 and 2022. But it didn't agree that not checking the filters caused Mrs T's central heating to require a powerflush. It referred to the comments it had previously provided from its experts who said not cleaning the filter for two years *may* increase the chance of a powerflush being required, but it was impossible to know how quickly this would happen.

British Gas said it believed a powerflush was an inevitable requirement regardless of a magnetic filter being fitted and cleaned. It couldn't say with certainty whether this requirement was expedited by the non-clearing of the filter. Given that the work to the powerflush wasn't covered by the policy, it didn't believe it would be fair to consider a full reimbursement of Mrs T's third-party costs. It proposed that British Gas reimburse 50% of the third-party costs – a total of £258. It agreed with the 8% simple interest on the refund and with the additional £210 compensation (giving a total of £300) to recognise the distress and inconvenience Mrs T felt.

Mrs T said she accepted the three actions I'd stated in the "*putting things right*" section of my provisional decision. She didn't agree for British Gas to only reimburse 50% of the third-party costs. She said that in all the years British Gas had been servicing her boiler, no one had ever looked at or cleaned the filter. She had service checklists prior to 2021 to support this should we wish to see them.

Mrs T also commented that British Gas stated in its advertising material that it would prioritise people who were vulnerable or had an emergency. She said this certainly wasn't her experience when she was told that once she received the quote for the powerflush, it could take up to eight weeks for the engineer to arrange a visit. Mrs T, who had a vulnerable husband who was ill and freezing cold, had to choose between waiting two weeks for a third-party visit or at least eight weeks for British Gas to visit. She felt all of this stress and inconvenience could have been avoided if British Gas had cleaned the filter as recommended during the annual service visit.

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.

Mrs T says British Gas engineers didn't clean the filter in any of the annual services carried out over a number of years. While I haven't seen evidence to support this, the evidence I have seen suggests the filter wasn't cleaned for more than three years at the time the central heating broke down.

I acknowledge British Gas's comment that having a magnetic filter fitted and checked/cleared regularly does not mean that a requirement for the central heating system to need a powerflush within its lifespan is eliminated. I also appreciate that British Gas can't be certain how quickly a powerflush would be necessary if a filter isn't cleaned.

However, British Gas hasn't given any indication as to how long it would expect a central heating system to continue to work without needing a powerflush if the magnetic filter had been cleaned at every annual service. I think it's possible that Mrs T might have needed to pay for a powerflush at some point in the future even if all the British Gas annual services had been carried out as they should have. But I'm not persuaded that the need for a powerflush was inevitable.

Having considered British Gas's comments, I'm not persuaded to change the conclusions I reached in my provisional decision. I don't think Mrs T would likely have incurred the third-party engineer's costs if British Gas's annual services had been carried out as they should. So, I think it would be fair for British Gas to reimburse her the full costs she incurred from the work carried out by the third-party engineer.

Putting things right

British Gas should:

- Reimburse Mrs T for the costs of the third-party engineer (a total of £516).
- Add interest to the above at 8% simple per year* from the date of the invoices until the date the payment is made.
- Pay Mrs T a total of £300 for distress and inconvenience (it may deduct any amount that has already been paid).

*If British Gas considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mrs T how much it's taken off. It should also give Mrs T a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

My final decision

For the reasons I've explained, I uphold Mrs T's complaint and direct British Gas Insurance Limited to put things right by doing as I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 14 March 2025.

Anne Muscroft
Ombudsman