

The complaint

Mr A complains about British Gas Insurance Limited ("British Gas") for cancelling his policy at the first appointment, and for its engineer removing a part from his boiler.

What happened

Mr A is a landlord. In May 2024, he contacted British Gas to enquire about boiler cover for his tenanted property.

He spoke with an agent who asked for details of the boiler, including the make, model and age. Mr A was not able to provide this information at that time as he had only taken over the property in late 2023.

The agent set out the levels of cover available, and discussed which level of cover would suit Mr A's needs, including discussing whether he wanted to have an excess on the cover, and whether he wanted a landlord's certificate.

He agreed to a particular HomeCare product, at a monthly cost of around £28.

His first appointment, including a boiler check, was then scheduled for around a week later.

The engineer attended the property and met with the tenants. The engineer assessed the boiler and established the make and model. The engineer states that the boiler was not working when he attended and the programmer was hanging from the wall.

The boiler was one which was made from the late 90s until the early 2000s, and was in 2024 obsolete for replacement parts.

The engineer noted that the flue of the boiler discharged into a shared, partially covered area, and was close to the property's door. They assessed that the boiler was not currently safe, due to the non-operational parts, which could not be replaced, and because of the location of the flue presenting a risk of gases re-entering the property.

The engineer assessed the boiler as a risk and isolated the power supply to it.

British Gas then wrote to Mr A, explaining that it was unable to cover the boiler. Mr A says that he then arranged an alternative engineer, who certified the boiler safety, and noted that the fuse had been removed from the boiler. Mr A believed that this had been removed by the British Gas engineer.

Around two weeks later, British Gas sent a cheque to Mr A refunding the payment he had made.

Mr A has not received this cheque. British Gas says that a number of cheques have been reissued but these have not been received or cashed by Mr A.

Mr A complained to British Gas. He felt that it was unfair that the cover had been cancelled, and the boiler was not repaired.

British Gas responded to Mr A in September 2024. It explained that the cancellation was not due to the boiler age, but to the inappropriate flue, and that the boiler was broken when the engineer attended, and the necessary parts were obsolete. British Gas offered Mr A £70 compensation in addition to his refunded premium.

Mr A was not happy and contacted us.

Our investigator has looked into this and did not recommend that the complaint be upheld.

Mr A did not accept that view and asked for an ombudsman decision.

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 appreciate that Mr A expected the boiler to be covered after his initial call, and that he experienced disappointment when the cover was cancelled (including that Mr A's tenants complained of no hot water), but I agree with the investigator's view and I do not uphold the complaint.

I have reviewed the information provided by both parties, and I have listened to the call when Mr A took out the policy.

In my view, it was clear that British Gas needed to assess the boiler condition and decide if cover could be provided, and that this would be done at the first appointment. It appeared that if the boiler was not working at that time, then the engineer would aim to repair it and either carry out the repair under the cover (if cover continued), or it would charge for this privately. It was clear to me that British Gas was not agreeing to provide cover in all circumstances and that it needed to assess the boiler first. It was entitled to reserve the right not to cover the boiler, if it did not consider it was able to.

The engineer from British Gas provided notes of his visit and states that the boiler was not working at the time of his visit and that parts for the boiler could not be obtained through British Gas's normal routes. It was also noted that the flue was located close to a doorway under a covered area, and British Gas has provided evidence that, in such circumstances, it would not offer cover.

I am satisfied that the engineer was correct to cancel the cover, and to initiate a refund of the premium paid. I am also satisfied that it was appropriate to isolate the boiler if it presented a risk to health.

Mr A believes that the engineer removed a fuse from the boiler. I have not seen sufficient evidence of this and so I cannot determine what happened to that fuse. I note that Mr A was not present at the time of the engineer's visit and so no direct evidence of is available of what occurred.

I also note that Mr A has not been able to cash his refunded cheques, and that British Gas is now waiting for confirmation of his details before reissuing these again. I do not think this unreasonable given the evidence of multiple issued cheques, and it is reasonable for British Gas to check the information before issuing a further refund and the compensation it has offered.

Overall, I have not seen evidence that British Gas did anything wrong, either in declining ongoing cover or in the way it handled the appointment in late May 2024. I appreciate that Mr A feels that British Gas has acted unfairly, but I do not agree.

I agree with my colleague's comments that British Gas should refund the premium paid, and it should complete its offer of compensation, but I do not consider that British Gas needs to do anything more than that.

I understand that Mr A will be unhappy with this decision, but I am satisfied that British Gas acted reasonably in its assessment of the boiler and the engineer's conduct of the appointment. I therefore do not uphold Mr A's complaint.

My final decision

For the reasons given above, I do not uphold Mr A's complaint, and I do not ask British Gas Insurance Limited to do anything further (beyond effecting the refund and compensation it has already offered).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 20 June 2025.

Laura Garvin-Smith
Ombudsman