

## The complaint

Mr P has complained about the service provided by British Gas Insurance Limited ('British Gas') under his boiler insurance policy. For the avoidance of doubt, the term 'British Gas' includes reference to its representatives and agents for the purposes of this decision.

## What happened

Mr P held a boiler insurance policy with British Gas for many years. Mr P experienced problems with his boiler in early 2025 and so he contacted British Gas, and an engineer attended. He reported that the faulty part was obsolete, and British Gas determined that the boiler could no longer be repaired and it cancelled the policy. Mr P was unhappy about the actions of British Gas, and he felt that it should refund policy premiums from 2013, the year from which it appeared that annual boiler services ceased. Mr P felt that British Gas had been charging for a boiler *'that they knew was impossible for them to repair'* as it had been obsolete in its systems for so many years. Following Mr P's complaint, British Gas maintained its stance as it considered that it had acted in a fair and reasonable manner.

Mr P was unhappy about the British Gas response to his complaint, and he referred it to this service. The relevant investigator didn't uphold Mr P's complaint. She didn't consider that British Gas had acted outside its contractual obligations or that it had acted unfairly in deciding not to refund Mr P's premiums since 2013.

Mr P remained unhappy about the outcome of his complaint and the matter has been referred to me to make a final decision in my role as Ombudsman.

## 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't say that British Gas has acted in an unfair or unreasonable manner and I'll explain why.

I turn firstly to Mr P's submissions. He felt that when British Gas did send out an engineer in early 2025, it became clear that *'it has been impossible for them to actually repair the boiler for many years, likely since 2013'*. He felt that it had been known to British Gas for many years that they couldn't repair the boiler and so shouldn't have been taking payment for the years when repairs were impossible. He said that refund of the excess sum he paid was only made following his request as a repair hadn't been completed. He added that the engineer even failed to cap off the boiler, so Mr P had to arrange and pay for this himself. Mr P said that British Gas had also increased the policy renewal price for 2025, citing repair work carried out in the last 12 months, which they then acknowledged didn't occur. Overall, Mr P said that he'd had *'a very poor customer experience'*.

Mr P said that after checking the British Gas systems, the engineer stated that the boiler hadn't been repairable for many years. Mr P didn't think that he'd been offered fair redress as a long-standing loyal customer in the circumstances. He noted that his last boiler service

was in 2013 and that further services were then discontinued, and he deduced from this that British Gas knew that his boiler was unrepairable and weren't acting in good faith in renewing the policy year on year. He said that by its own procedures, when British Gas were unable to get parts for a boiler any longer, the policy should have been cancelled. He said he also had strong reason to believe that the boiler of the relevant make and model had been de-listed from the British Gas system and felt it was crucial to ascertain when the last part for the boiler was removed.

I now turn to British Gas's submissions in response to Mr P's complaint. It explained that Mr P's level of cover meant that repairs would be completed on the boiler and controls only for as long as parts were available and cover didn't include an annual service. It said that the level of cover hadn't changed since its first available records in 2020. It had sent renewal documents each year via post, and the policy had renewed automatically at Mr P's request. It said that the boiler's manufacturer stopped making the boiler in 1972 and that nearly all replacement parts were no longer available. This meant that *'we may not be able to fix your boiler if it breaks down, but we'll do our best to keep it running for as long as possible'*. In March 2025, it had been unable to source the required parts and advised that cover couldn't continue, and a new boiler was required. It referred to its policy terms and conditions to support its position.

British Gas said it no longer held records as to cessation of boiler services, however it was able to confirm that the last annual service was in 2013. It said that it had however issued renewal documents each year advising about the level of cover and about limited availability of parts. The documents also invited customers to get in touch should anything change so this provided an opportunity to check that the policy still met the customer's needs. In conclusion it said that it would refund back to the renewal date of May 2024, as the appointment took place in the 2024/2025 policy year and it stated that it would pay a total refund of just over £59. It also refunded the excess payment of £99 as no repair was completed. It noted that removal of the annual service would have reduced the cost of the policy. As there had been no visits, British Gas wouldn't have had an opportunity to see the boiler unless a fault was reported. It said that an annual service would have ensured safe operation. It provided a list of remaining available parts.

I now turn to my reasons for not upholding this complaint. The starting point will be the terms and conditions of the relevant policy as this provides the basis of the insurance contract between the customer and his insurer. I note that the policy booklet makes it clear that *'We can cancel your agreement or product if: ... we can't find the parts we need to repair your boiler, appliance or system, despite our attempts;'* It also states that; *'If we cancel your agreement or product we'll refund you for the rest of the time you've already paid for.'*

I do understand Mr P's frustration as he's paid for a policy over many years and has been a loyal customer of British Gas, yet he feels that British Gas wouldn't have repaired the boiler over that period in any event. I agree that due to the boiler's age and the fact that an increasing number of the parts would become obsolete over the years, it was increasingly unlikely that Mr P would obtain any benefit out of the policy as time went on. I've therefore considered whether British Gas made this clear to Mr P. On balance, I do consider that it had provided its customer with sufficient information.

I've noted that renewal letters over recent years have made it clear that *'Our records show that your boiler is [the relevant model]. Your boiler's manufacturer stopped making your particular model of boiler a while ago. They've also told us that nearly all the replacement parts for your boiler are no longer available. This means we may not be able to fix your boiler if it breaks down, but we'll do our best to keep it running for as long as possible. In the unlikely event we can't fix the boiler, you may be able to get a refund back dated to when you last had work done, or to when you renewed your agreement – whichever's the most*

*recent. If you'd like to talk to us about replacing your boiler, [contact details given].'*

Unfortunately for Mr P, I consider that British Gas had provided an adequate warning of the limitations regarding what it could do under the contract. There is some inconsistency within the message in stating on the one hand that nearly all the parts are obsolete, and on the other hand, stating that inability to fix the boiler was an '*unlikely event*', whereas in reality this had become increasingly likely that repairs wouldn't be successful. I also have concerns that the engineer's report refers to the boiler not being '*service listed*'. Nevertheless, on the balance of probabilities, I'm satisfied that, British Gas did provide an adequate warning to the customer that the boiler might well be reaching the end of its useful life. I also accept on balance that British Gas had still been willing to honour the contract and to replace the limited parts that were still available and that, however unlikely, there was potential for British Gas to have repaired the boiler even in 2025, depending on the fault.

I'm also satisfied that Mr P would have been aware for a significant number of years that an annual service was no longer been provided by British Gas. It's unfortunate that the British Gas records aren't available to clarify the circumstances in which the service element of the policy was discontinued. This doesn't however alter my decision. As for cancellation of the policy, I can't say that British Gas acted in an unfair or unreasonable manner in view of the age of the boiler and the fact that most parts had become obsolete. In the absence of a commitment to conduct an annual service, I'm satisfied that it wouldn't have been aware of the full extent of the damage until its engineer had inspected the boiler in March 2025.

Finally, I understand that British Gas refunded the call-out fee and I consider that this was the correct course of action, albeit I've no reason to doubt that this only happened when Mr P chased the matter. I also note that it refunded a modest amount in relation to the premium. Again, I consider that this was a fair and reasonable response, as British Gas had been unable to repair the boiler. In conclusion, I appreciate that this decision will come as a great disappointment to Mr P, however, I can't say that British Gas has acted in an unfair or unreasonable manner in response to his complaint. As long as it has paid the amount of just over £59 which it had committed to pay Mr P, I don't require British Gas to do anything else.

### **My final decision**

For the reasons given above, I don't uphold Mr P's complaint, and I don't require British Gas Insurance Limited to do any more in response to his complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 3 March 2026.

Claire Jones  
**Ombudsman**