

complaint

Mr P complains that British Gas Insurance Limited (BG) didn't inspect his boiler properly under his HomeCare policy and didn't identify a leak that caused corrosion. This led to him having to replace his boiler.

background

Mr P had his boiler serviced by BG every year since 2015. It had an annual service on 22 August 2018. On 26 September 2018, a BG engineer visited Mr P to attend to a fault with the boiler. He discovered a leak on the heat exchanger. A further appointment was arranged for 28 September 2018. The engineer attending then diagnosed that the leak had caused the burner to corrode and it was declared unsafe and beyond repair. He advised that signs of the corrosion should've been discovered by the engineer at the annual service visit on 22 August. BG phoned Mr P on 4 October 2018 and agreed that the corrosion in the boiler should've been discovered when the engineer completed the annual service in August.

Mr P doesn't think the service he's received from BG, for which he's paid £148 a year, was good enough. He's had to buy a new boiler which cost him £2,700, and he wants this cost to be reimbursed. He maintains that if BG had identified the leak earlier, it could've been repaired and it wouldn't have corroded the burner which was now an obsolete part. So he wouldn't have had to pay for a new boiler.

He argues that there's no way the extent of the corrosion found could have built up in the short time between the August service visit and the visit in September such as to render the boiler unsafe to use, or for spare parts to become unavailable. He says that the last time a BG engineer removed the combustion chamber to visually inspect the heat exchanger or burner was at the 2015 annual service visit. He therefore considers that the cost of a new boiler should not be at his expense.

BG says that the corrosion was more than likely to have occurred over a period longer than that between the August annual service visit and when it was discovered on 28 September. It says that Mr P would've been in the same position had the corrosion been noted in August in that the boiler would've needed to have been replaced then.

BG has accepted that it hadn't provided Mr P with a good enough service and that the corrosion should've been picked up at the annual service visit on 22 August. It's offered Mr P £400 as compensation for the inconvenience caused by the poor level of service. Mr P has rejected this, and brought his complaint to this service.

Our investigator's view was that it was more likely than not the damage would've been present, and the boiler beyond economical repair, in August, and that the boiler would've needed to be replaced then. She considered that BG's offer of £400 was fair given the circumstances.

Mr P doesn't agree with our investigator's view, and has asked that his complaint be referred to an ombudsman, so it's been referred to me to make a final decision.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I'm not going to uphold Mr P's complaint and I'll explain why.

I think it's reasonable to assume that the corrosion in Mr P's boiler, first noticed in September 2018, was present just over a month earlier, on 22 August, when the annual service visit took place. Given the short period of time between these visits, I also think it's reasonable to assume that the boiler wasn't significantly less unserviceable than it was in September. So if the August service visit had identified the corrosion, a new boiler would still have been necessary.

But Mr P says that his boiler hadn't been properly inspected since the 2015 service visit, and that if it had been, the leak would've been identified and further damage could've been prevented. That might be the case, but I don't have any evidence that might suggest how long the heat exchanger had been leaking. It might only have started leaking after the 2017 service visit, in which case the August 2018 service visit was the first opportunity there would've been to detect it if that visit had been conducted thoroughly. So I can really only say that the August 2018 wasn't sufficiently thorough. I've seen the result of BG's internal investigation, which identified the root cause of the problem as "misdiagnosis", and attributes 80% of the blame to the engineer who undertook the 2018 service visit.

So I don't think it can be said with certainty that BG's failure to notice the leak extended beyond the August 2018 service visit.

I also note that Mr P's boiler was old. BG's records show that at the 2016 and 2017 service visits he'd been advised as to its age and parts availability.

My conclusion is that BG's offer of £400 towards the cost of a new boiler is reasonable in the circumstances.

my final decision

For the reasons I've given above, I'm not going to uphold Mr P's complaint, and I don't require British Gas Insurance Limited to do anything more than to offer Mr P again the £400 he initially rejected.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 18 December 2019.

Nigel Bremner
ombudsman