

complaint

Mr C's complaint is about the service provided by British Gas Insurance Limited in relation to his boiler insurance policy.

background

Mr C's policy with British Gas includes an annual service of his boiler. During the annual service in September 2018, the British Gas engineer found there was a hole in the heat exchanger, which was allowing emissions to escape. The engineer said the boiler was unsafe to use and disconnected it.

Mr C says the engineer told him the hole must have been there for more than a year. She only found it as she removed part of the boiler casing while servicing the boiler but this is not always done by British Gas, if everything else is okay. Mr C says if the engineer that carried out the service in 2017 had removed the casing then corrosion (which later developed into the hole) would have been spotted and it might at that stage have been repairable. He would not therefore have had to replace his boiler and would not have been put at risk from leaking carbon monoxide.

I understand that the heat exchanger was obsolete and so the boiler had to be replaced. British Gas said although the boiler was not apparently leaking carbon monoxide, it was immediately dangerous, as this could change at any time.

British Gas says the hole was found when the engineer removed a panel of the boiler to check the flue. Whilst this is not part of the annual service, British Gas advises that this is good practice for a boiler of this age. British Gas also suggests that this was done during the annual service carried out in July 2017. It says it has spoken to the engineer that did the 2017 service and she recalls removing the cover above where the hole was discovered in 2018 and that no hole was present. British Gas says the hole must have developed in the 14 month period between each of the services and it did nothing wrong. British Gas did however, offer a refund of one year's premium, of £336.01 as a goodwill gesture.

Mr C disputes this and says his partner who was present during both services, says the boiler panels were not removed in 2017. Mr C has also made a number of other submissions in support of his complaint, which I've summarised below:

- British Gas's complaints procedure is defective with no attempt at an independent senior review.
- The engineer had no right to disconnect the boiler. The relevant codes of practice are clear that this can only be done with the consent of the householder. His partner was present at the time and her consent was not asked for; if it had been, it would have been refused, as there was no proof of any gas leaks.
- If the boiler was not leaking before the service, it was unlikely to be leaking the day after. It was wrong to say it was immediately dangerous just because it might become dangerous before it could be repaired or replaced. And as a result of wrongfully capping off the boiler, he has been left without a boiler unnecessarily.
- The safety check carried out by British Gas each year is not effective if it doesn't routinely check for rust that could lead to a carbon monoxide leak.
- British Gas sales literature says that an annual service will "*check your boiler for corrosion*". It does not say engineers will only do this if they find some other problem.

- He is also concerned for other customers that British Gas's procedures do not reliably match the claim on which British Gas sells insurance. The procedures or the insurance policy should be changed.
- If the 2017 service had been carried out in accordance with the policy terms, British Gas would have detected rust then. It is not possible that such a large hole could have developed to the extent it had in 2018 earlier, with no visible sign of deterioration in 2017.
- British Gas management's guess as to when the rust broke surface is not more reliable than the opinion of the engineer who found the hole and others independent of British Gas, who all think it's unlikely it wasn't visible in 2017.
- British Gas has still not tested the emissions from the boiler, so can't say if it was operating safely. If it was unsafe and therefore it was right to disconnect the boiler, then his complaint stands. If in fact it was still operating safely, it did not need to be disconnected. British Gas should not have said it was leaking carbon monoxide without proof.
- There's no contemporaneous record such as a computer checklist for the service, to show that the top cover was taken off during the 2017 service. His partner says it wasn't taken off, the engineer says she did. However, the engineer also said "*as there was no issue with the emissions test, no further checks were carried out*", implying that she didn't take the top cover off. This is more credible as it matches the statements of British Gas management. It was only when asked a second time about two weeks later, presumably knowing of the complaint, that she said she took the top cover off.

Mr C says he was without a working boiler for almost a year. When the boiler was disconnected, he bought electric fires (it's a 3 storey house), boiled kettles, and went out for baths and showers. Mr C says he tried to get the boiler repaired but couldn't find the necessary part, new or second hand. He says he then tried to have it replaced in the same space, but couldn't. The boiler had been positioned on the floor but current equivalents are wall mounted and smaller. Mr C says he therefore needed to have new piping installed, a new hole in the outside wall and new floor covering where the old one stood.

Mr C says he was without the boiler for around 30 weeks and then decided to wait longer before replacing it, so that he could combine the installation of the new boiler with some other plumbing work, including flushing the radiators.

Mr C wants "*serious*" compensation and for British Gas to make changes in either the insurance policy or the procedures under that policy to make them more consistent, and improvements in handling complaints.

One of our investigators looked into the matter. He didn't consider that the complaint should be upheld as he was satisfied that British Gas had acted reasonably.

my findings

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

shutting off the boiler

Mr C has referred to the codes of practice for gas safe engineers, which says that where a gas engineer works on a boiler they consider is unsafe they should obtain consent of the person responsible to turn it off but has no right to do so without consent.

Mr C says consent was not sought and if it was, it would have been refused as there was no evidence of carbon monoxide leaking at the time. Mr C also feels very strongly that it was wrong to say the boiler was immediately dangerous, just because it might become dangerous before it could be repaired or replaced.

British Gas says Mr C's partner consented to the engineer turning off the boiler and if she had not done, the engineer would have called the gas supplier to get it disconnected from outside the property.

British Gas has provided a copy of the notice that was left at Mr C's property, which says:

"Immediately dangerous: Your appliance or installation has a fault which puts you and your property in danger if you leave it connected to the gas supply."

A warning label has been attached and the appliance/installation disconnected, if you refused disconnection the Gas Emergency Service has been notified as they have powers to disconnect unsafe appliances/installations."

The notice was signed by Mr C's partner. This would indicate her consent to the boiler being turned off at the time. Mr C has suggested that she had no choice because of the way it was presented to her at the time but I am not persuaded by this.

I am also not persuaded that it has been established that this was incorrect or unreasonable action to take. While the boiler was not apparently leaking any dangerous gases on that day, the engineer advised it was immediately dangerous, as the hole could result in carbon monoxide leaking at any time. Mr C disputes this but he did have the boiler replaced, rather than carry on using it. Mr C has said he tried to have it repaired, but couldn't because the part wasn't available but he has not provided anything from any engineer that said it would have been safe to reconnect the boiler and use it without having the part replaced.

As there is no persuasive equivalent expert evidence that British Gas was incorrect in declaring the boiler immediately dangerous, I am not persuaded this was unreasonable.

annual service

British Gas's policy schedule, sent to Mr C each year said: *"Once a year we'll come round to service your gas appliance to make sure it's running safely and efficiently"*.

And the policy document says: *"One of our engineers will visit your home one a year to check that your appliance, boiler or central heating and ventilation is working safely and in line with relevant laws and regulations. We'll also test the gases your appliance and boiler produces. If these tests show that it's necessary to take your appliance or boiler apart to adjust or clean it, we'll do so."*

British Gas sales literature also says that the annual service will *"check your boiler for corrosion"*.

Mr C says the boiler cover would need to be taken off in order to check for corrosion and the safe working generally of the boiler.

According to the Gas Safe Register an annual service would include a gas safety check but also: *"a full check of a gas appliance and the engineer is likely to take the appliance apart to inspect it. The engineer will assess the physical condition of the appliance, installation pipework, air vents and any flues for deterioration. They will carry out performance tests and take any necessary remedial action. Appliances should be serviced regularly in accordance with manufacturer's instructions."*

Given this, I agree with Mr C that the cover should have been removed and the condition of the boiler inspected during each annual service and not just if gases could be detected.

British Gas says it asked the engineer that carried out the service in 2017 if she took the cover off. She apparently said that although it was over 14 months earlier, she remembered the service appointment because Mr C's boiler is an unusual one. However, I have not seen a written statement directly from her and, however unusual the boiler, I think it unlikely she'd have a clear recollection of what was done given the time since the service and the number of boiler services she must have carried out in between times.

So I am prepared to proceed on the basis that the engineer did not remove the cover and check the heat exchanger for corrosion in 2017. I have to now consider what the consequences of that have been for Mr C, if any.

If the engineer had examined the heat exchanger in 2017, it is possible she may have seen some signs of corrosion, or the start of corrosion. Mr C says there would have to have been some signs at that stage, as the hole could not have developed to the size it was within 14 months. And I note British Gas's engineer that found the hole in 2018 said it would have been there for over a year. So while it is not certain, I think it is likely there would have been some sign of the start of corrosion at least in 2017.

what would have happened if corrosion had been identified during the 2017 annual service?

I have to now therefore consider what would have happened, if the engineer had spotted signs of corrosion in 2017.

Mr C says the fact corrosion was not checked for in 2017 means he was prevented from having a *"quick repair"* carried out to his boiler. I am not, however, convinced that it would have made any difference to his position.

If early signs of corrosion were seen on the heat exchanger, but the boiler was still operating safely, British Gas would not have been obliged to replace the heat exchanger at that point.

But even if British Gas did agree to cover the replacement, or Mr C chose to have it replaced himself, there's some doubt about whether this would have been possible. The boiler was apparently installed in 1990. Mr C has said he has been unable to find even a second-hand heat exchanger in 2018 to replace his with. Given this, it would seem to me likely there would have been similar difficulties only a year earlier. British Gas's terms mean it will only fit new parts obtained from reputable suppliers. I have seen no evidence that an area of corrosion on such a part could be repaired, rather than requiring replacement.

It seems to me therefore that it is unlikely the boiler could have been repaired in 2017, even if corrosion was spotted then. There's no evidence to support that this would have been possible. So, the boiler would have still needed to be replaced. And, even if the heat exchanger had started to corrode in 2017, there were no leaking gasses apparently.

Given this, I do not consider that any of the inconvenience caused by the boiler needing to be replaced, including the time Mr C was without a boiler waiting for the new boiler to be installed, is solely due to anything done wrong by British Gas.

Overall therefore I consider the offer of compensation made by British Gas is reasonable to reflect any failure in carrying out the 2017 annual service.

Mr C has also said that British Gas should change its annual service and complaints procedures, including its complaint handling. Unfortunately, I do not have the power to make British Gas change its practices or the way it deals with such matters in the future. However, we do publish our decisions and hope that businesses learn from them.

my final decision

I don't uphold this complaint, as I consider that British Gas Insurance Limited has already made a reasonable offer in full and final settlement of all the circumstances of the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 9 July 2020.

Harriet McCarthy
ombudsman