

## **complaint**

Mr and Mrs T are unhappy with the way British Gas Insurance Limited handled their home emergency insurance claim. They say British Gas led them to purchase a new boiler unnecessarily.

## **background**

In March 2012 an engineer from British Gas completed the annual service of Mr and Mrs T's boiler and diagnosed a leak in the flue. The engineer deemed this to be dangerous and shut off the boiler and told Mr and Mrs T that flues were not covered under the policy. He subsequently suggested they contact a third party to arrange repairs.

A second engineer attended the next day in order to fit a replacement thermostat. The engineer did not fit it as he was unable to test the new part until the boiler had been repaired. He suggested Mr and Mrs T contact a third party to complete the repairs.

Mr and Mrs T contacted British Gas as they were unhappy their boiler had been switched off and had been told to arrange for a private engineer to attend.

A British Gas engineer attended the next day to provide a quote for the repair of the flue. The engineer reported that Mr and Mrs T declined the quote and opted to have a new boiler fitted. A checklist was also left by the engineer which stated "*parts not available*".

Mr and Mrs T complained to British Gas as the engineer that attended suggested the flue had been installed incorrectly and had always been unsafe and that this had not been identified during the previous annual services. British Gas spoke to Mr and Mrs T who confirmed that a new boiler had been fitted by a third party engineer and requested reimbursement of the cost.

British Gas said parts for the flue were still available and that it could have been repaired. It declined to refund the cost of the replacement boiler as it believed it was the third party engineer that advised that parts were unavailable. British Gas also believed the damage to the flue had been caused by corrosion over time as a result of water vapour and that it was not unsafe during the previous annual services.

Mr and Mrs T referred a complaint to us and our adjudicator recommended that it should be upheld in part. He did not believe there was enough evidence to suggest the fault with the flue would have been present during previous visits. However, he did believe that it was British Gas' engineer that had told Mr and Mrs T that parts were not available which convinced them to purchase a new boiler. The policy did not provide cover for the cost of a replacement boiler, and our adjudicator recommended that British Gas contribute £500 towards the replacement boiler.

British Gas did not accept the recommendation and requested an ombudsman review.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Mr and Mrs T have said that British Gas' engineers suggested the flue was installed incorrectly and believe that this was not discovered during previous annual services. British Gas has said that its engineer found the adjustable elbow on the flue in the loft had corroded and that this would have occurred over a period of time.

My understanding is that the purpose of an annual service is to ensure that the boiler is operating safely at the time of the service. As part of the service, an engineer will ordinarily carry out a series of tests to ensure the boiler is combusting properly.

Having reviewed the policy terms, I can see that flues are excluded from cover:

*"8.4 Boiler and Controls and Central Heating Exclusions*

*The following are not included in your Agreement:*

*Repairing or replacing appliance flues other than room sealed appliance flues (up to 1m in length)."*

In view of this, and given that the flue was located in the loft space, I am satisfied there was no cover for the flue under the policy. An engineer would have no reason to inspect the flue in the loft space during the annual service unless the test of the boiler indicated there was a problem.

In the absence of persuasive evidence to show the flue was damaged at the time of the previous visits, I do not conclude that British Gas failed to carry out the annual services incorrectly.

Mr and Mrs T say the engineer that attended to provide a quote for the flue repair told them the part was obsolete. He subsequently suggested that a new boiler be installed and told them roughly how much it would cost for British Gas to complete the work. Because of the expense, Mr and Mrs T contacted a third party engineer and obtained a quote for a new boiler for significantly less than the amount mentioned by British Gas.

British Gas said that when its engineer attended on the third occasion to quote for the work to the flue, Mr and Mrs T declined the quote as they had already arranged for a third party to replace the boiler. It has provided a copy of its internal notes completed by its engineer. Having considered these, I am not satisfied they clearly show the quote for repair was declined because a third party had already been contacted to replace the boiler.

It seems plausible to me that Mr and Mrs T made the decision in view of information provided by British Gas' engineer at the time.

British Gas also says the comment on the checklist about parts being unavailable relates to parts for the boiler and not the flue. However, the purpose of the engineer's attendance was to quote for the flue. As such, I do not see why he would have been checking the availability of parts for the boiler. Given that the engineer provided advice regarding the availability of parts when he was meant to be quoting for the replacement flue, it is reasonable to consider that this would have incorrectly led Mr and Mrs T to believe that he was referring to the flue.

In view of this, I am persuaded that it was British Gas' engineer that provided incorrect advice and that Mr and Mrs T's position has been prejudiced as a result.

While Mr and Mrs T have had a new boiler installed unnecessarily, I do not believe that British Gas should be responsible for the full cost, as the previous boiler – the manufacture of which apparently ceased in 2001 – could not reasonably be described as new or nearly new. So Mr and Mrs T have derived some benefit from having a new boiler fitted.

In the light of the circumstances, I believe the fair and reasonable outcome is for British Gas to contribute £500 towards the cost of Mr and Mrs T's new boiler. I understand British Gas has already refunded £89 to Mr and Mrs T and the award I have made is inclusive of that refund.

**my final decision**

For the above reasons, my final decision is that I uphold this complaint in part. I require British Gas Insurance Limited to pay £500 to Mr and Mrs T as a contribution towards the cost of their replacement boiler. The sum includes, and is not in addition to, the refund already made by British Gas Insurance Limited.

Nimish Patel  
**ombudsman**