

## **complaint**

Mr B's complaint is about the service provided by British Gas Insurance Limited in relation to a central heating insurance policy.

## **background**

Mr B has held a policy with British Gas for about 25 years. For some time Mr B says he had problems with his hot water supply. British Gas attended on several occasions and told Mr B the problem was being caused by airlocks in the system. I understand it released the airlock each time but the problem kept recurring. Mr B says British Gas kept trying to get him to have a new boiler instead of fixing the problem properly.

Eventually Mr B employed his own heating engineer who fixed the problem. His engineer also said there was an issue with the expansion pipe to the heating terminating over the cold tank, when it should have been over the hot water tank. Mr B says this had never been picked up by British Gas over the years. He wants a refund of the previous three years' premiums, as he feels he did not get the service paid for and he was without a properly working hot water system for three years. Mr B also wants an independent engineer to inspect the system, as there were still concerns it is drawing in air.

British Gas says that the work done by Mr B's engineer – fitting an auto air vent to release air and help the water get hot - is a "bypass fix" and is not a permanent solution. British Gas also says the policy doesn't cover upgrading a system, which this bypass would be. The private engineer has bypassed the blockage by fitting the auto air vent but this has not addressed why the system is producing air locks, which is normally as a result of sludge/debris in the system. It would quote to put the system right but wouldn't install something that is a temporary fix and which masks the original problem. The problem with the way the expansion pipe was installed would not be covered by an insurance policy and it also doesn't cover the removal of sludge.

British Gas says it correctly resolved the airlocks each time they occurred and correctly advised Mr B of appropriate improvement work, which was declined. It also offered to inspect the boiler but this was declined. British Gas did however offer £150 as a goodwill gesture, on the basis that its engineers could have explained the diagnosis of why the airlocks were happening better.

One of our investigators looked into the matter and recommended that it be upheld. He thought that some of the work done by Mr B's engineer should have been covered by the policy, so he recommended that British Gas pay half the invoice (£350) together with interest and a further £100 compensation.

Mr B accepted the adjudicator's assessment.

British Gas does not accept the adjudicator's assessment. It says again that removing sludge is not covered under the policy and the air vent was a temporary fix; and the upgrade work it recommended would have been the permanent solution to the airlock issue. The boiler is more than 30 years old (more than twice the average life expectancy) and it has been advising that Mr B get a new boiler since 2010. British Gas says the £150 it already offered is fair and reasonable.

As the adjudicator has been unable to resolve the complaint, it has been passed to me.

## my findings

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

British Gas's file records that there were numerous attendances in relation to problems with the hot water and airlocks between February 2017 and May 2018. Mr B has said in some correspondence that the problem was ongoing for around three years and in others 18 months. From the papers provided to me, British Gas was aware of it for around 15 months.

Mr B says that periodically he would be without hot water; when British Gas released the air lock each time, there would be period of time when it worked properly but the problem would always recur after a while. Mr B says he managed through this period by relying on an electric shower and using the immersion heater, which means his electricity bills have been higher than they should have been.

Mr B's engineer said he flushed the central heating system to remove black sludge and then installed an *"automatic air vent into the return pipe work in the garage"*. He also said: *"during the first visit I noticed that the expansion pipe to the heating was terminating over the cold water tank and should be over the heating tank. This would explain the dirty water coming out of the taps every now and then."* He re-routed the expansion pipe *"above the correct tank"* and serviced the boiler.

British Gas says that the installation of the air vent is only a temporary fix but M B has said he has not had any problems with the hot water supply since then. British Gas may be right that this would not, on its own, resolve the problem as to why air was being drawn into the system in the first place but the system was also flushed out. Its point about this being only a temporary solution and that it does not address the underlying issue may carry more weight if it had not attended approximately nine times just to release the air lock and was not proposing any other repair. The air vent might not be a permanent repair (and I wish to make clear this has not been established) but it is a longer lasting solution than British Gas provided.

British Gas has said the boiler is old and the system needs replacing but, be that as it may, it was not irreparable. The boiler was repairable, hot water has been restored to Mr B and I consider that British Gas should have done more than it did to resolve this for Mr B. He is under no obligation to pay for a new boiler, when his boiler was repairable and the failure of the hot water is a matter covered by the policy.

I agree that not all the work carried out by Mr B's own engineer would have been covered by the policy, including the re-routing of the pipework. This was not apparently the cause of the failure of the hot water supply, so while this might have been a problem, British Gas was not obligated to do anything to change this under the terms of the insurance over. It also is not responsible for the cost of servicing the boiler.

Overall, I consider the adjudicator's suggestion that British Gas pay half the cost of the private engineer together with interest to be reasonable. I do not agree that British Gas need to refund the premiums or the last three years as some service was provided and there were also attendances for other matters.

I also agree that some additional compensation is appropriate and am going to award slightly more than the adjudicator and require British Gas to pay Mr B £175 compensation for the distress and inconvenience caused by having to get his own engineer to resolve a matter that should have been covered under the policy, which also meant his hot water supply repeatedly failed.

**my final decision**

I uphold this complaint against British Gas Insurance Limited and require it to pay Mr B £350 plus interest at 8% simple per annum, from the date he paid his engineer to the date of reimbursement; and £175 compensation for the distress and inconvenience caused by its handling of his claims.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 17 January 2020.

Harriet McCarthy  
**ombudsman**