

complaint

Mr K complains that British Gas Insurance Limited ("BGI") won't service his two central heating boilers under home emergency policies he entered into with BGI in November 2017.

background

Mr K has a large house. Because of its size, two gas domestic boilers, connected to each other, were installed to provide heating and hot water. Normally only one boiler operates; but where additional heat is required, the second boiler kicks in as well.

Since November 2012, Mr K has had two domestic home emergency policies with BGI, one for each boiler, and BGI's engineers have attended and serviced the boilers once a year. However when the engineer attended in January 2018 to service the boilers, he said that as a domestic central heating engineer he wasn't qualified to carry out the service.

He said that because of a change in "gas safety rules", the two boilers now had to be treated as one system instead of two individual boilers. As the combined output of both boilers was more than 70 KW, this meant that they were classed as a commercial system, and would have to be serviced by an engineer qualified to attend to a commercial system.

Mr K complained to BGI which said that what Mr K had been told was correct. Accordingly it would have to cancel his home emergency policy as its engineers weren't qualified to deal with commercial systems. It refunded what he had paid for the services he hadn't received, and paid him a further £100 as a gesture of goodwill.

Mr K said that for an equivalent commercial policy he would have to pay some £900 a year, instead of less than £300 he had been paying to BGI. He wanted his domestic policies to be reinstated at the price he had been paying.

Our investigator didn't recommend that this complaint should be upheld. BGI explained to him that it wasn't that the Gas Safe Guidance had changed, but that in the past BGI had been misinterpreting it. BGI had assumed that two individual boilers working in combination, each of which was less than 70 KW in capacity, could be treated as a domestic system.

However in October 2017 it realised that this was incorrect and so it could no longer cover Mr K's boilers under its policy. It shouldn't have renewed Mr K's policy in November 2017, and made a mistake in doing so. However it had provided a full refund for the period Mr K wasn't covered under his policy, plus an additional £100 compensation.

BGI said there was nothing to suggest that while its engineers attended to the boilers they were serviced incorrectly in any way, or they had caused any harm or interruption of service.

Our investigator thought that BGI had acted correctly and fairly when it found out that it wasn't qualified to service Mr K's boilers. It had cancelled his policy and provided a full refund plus a further £100.

Mr K didn't accept the investigator's recommendation and asked for his complaint to be reviewed.

my findings

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

To a consumer wanting a central heating system for his home, the cut off between domestic and commercial systems, and the different rules which apply to each, can seem arbitrary. However that is the way the gas safety rules are set up.

Mr K's system was serviced and dealt with by BGI for five years as if it fell under the domestic rules. There is nothing to suggest the servicing and repairs weren't carried out correctly in all respects, and during that period he benefited from the lower costs charged in respect of domestic systems.

However BGI is only set up to deal with domestic systems. Once it realised that it had been wrong to treat Mr K's system as a domestic system, it couldn't under the gas safety rules continue to send its engineers to attend to the system. So I agree that it couldn't continue to provide a policy to Mr K, and acted fairly in providing the refunds and compensation which it has.

my final decision

My decision is that I don't uphold this complaint, and make no order against British Gas Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 1 June 2018.

Lennox Towers
ombudsman