

complaint

Mr B complains that British Gas Insurance Limited gave him poor service under a home care insurance policy.

background

Mr B complained that – because British Gas hadn't serviced his old one properly – he had to buy a new boiler.

The adjudicator recommended that the complaint should be upheld in part. She thought that the boiler hadn't been properly serviced and debris had been left inside. She thought that was likely to have contributed to its failure. She recommended that British Gas should:

1. contribute £400 towards the cost of a replacement boiler;
2. also cover 50% of the cost of installation (excluding extras but including any necessary modifications) on sight of evidence of costs from Mr B.

British Gas disagrees with the adjudicator's opinion. It says, in summary, that there's no evidence that the boiler was beyond repair. All the parts were available. It was therefore Mr B's choice to replace the boiler, British Gas says.

my findings

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

Mr B hasn't said how old his boiler was. So I accept British Gas's record that it was installed in 2007. I think it was in a cupboard on the landing of his home.

British Gas serviced Mr B's boiler from 2010 until 2015 when the policy ended.

In February 2016, Mr B's boiler broke down.

I've seen a report from Mr B's engineer. I accept his statement that it's standard practice to remove debris during servicing. And his report includes the following:

"I took a photograph of the drip tray full of debris which I sent to Mr B... via email. Because the condensate sump and discharge pipe was blocked solid to its termination point the fluid, which is a further by-product of the boilers combustion, had dripped into the boilers P.C.B (Printed Circuit Board) causing damage, it had also most likely caused the corrosion I witnessed within the boiler."

I think that engineer left the boiler for its manufacturer to investigate. I've seen a report from the manufacturer. It says the boiler was in poor condition due to leaks of the heat exchanger, flue and products of combustion. It includes the following:

"Due to the above, the boiler can no longer be repaired and will therefore need to be replaced. We have offered to supply a replacement boiler at a reduced price, this being the ... Combi ... at £800.00, plus a standard flue at £30.00. "

So I find that the old boiler was beyond repair and that Mr B had no choice but to get a new one. I find that a reasonable replacement was going to cost about £800.

Mr B later said the old boiler was still in the cupboard and the new one had been installed somewhere else.

I accept Mr B's statement that the manufacturer charged him £250 for its report. British Gas later sent him a cheque for that amount. He said he would send it back uncashed. But I think it's fair that he should have that money.

Overall, I think that British Gas failed to clear out debris and so contributed to the boiler becoming unrepairable. I keep in mind that it was about nine years old.

I find it fair and reasonable to order British Gas to pay Mr B £400 plus (if he provides independent evidence of payment) half the cost of installation of the boiler (but not any extras). I will also order British Gas to add interest at our usual rate.

my final decision

For the reasons I've explained, my final decision is that I uphold this complaint in part. I order British Gas Insurance Limited to pay Mr B (in addition to the £250 it has already offered him):

1. £400;
2. (if he provides independent evidence of payment) half the cost of installation of the boiler (but not any extras):
3. simple interest on each of the amounts it pays under paragraphs 1 and 2 above, at the yearly rate of 8% from the date Mr B paid it to the date it reimburses him. If British Gas considers that it's required by HM Revenue & Customs to withhold income tax from that interest, it should tell Mr B how much it's taken off. It should also give Mr B a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 2 March 2017.

Christopher Gilbert
ombudsman