

complaint

Mr C complains about the work British Gas Insurance Limited (BG) did under its annual boiler services under his home care insurance policy.

Mr C will see that my decision is about a different part of British Gas than the investigator's opinion letter was about. BG is the insurer and the correct business for my decision to be about and it hasn't objected. The change hasn't affected the outcome of my decision.

background

BG carried out annual service checks on Mr C's boiler over about 10 years. In March 2017 he was told the flue was corroded and a safety risk. The boiler had to be turned off leaving him and his family without heating. Mr C bought a new boiler and complained to BG.

BG's final response letter to Mr C said it agreed with his complaint. It offered him £50 compensation which it said was a gesture of goodwill.

Mr C complained to us. He said £50 wasn't enough. No one had told him about the flue problem before and he and his family could have been harmed. He said as previous inspections hadn't picked up the problem they can't have been done correctly, so he also wanted the policy premiums refunded as he thinks the policy was mis-sold.

Initially our investigator said as BG accepted its service wasn't correct it should pay £150 compensation in total for Mr C's overall distress and inconvenience.

BG then said there was an error in its letter to Mr C. It hadn't accepted Mr C's complaint; its offer was on a goodwill basis only. It sent us evidence that it said showed it had told Mr C there were problems with the boiler at previous annual services.

Ultimately our investigator thought BG hadn't done anything wrong. There was evidence that over several services BG had highlighted the issues with the flue, including that it was under distress and the boiler was on a reduced availability of parts list. So Mr C was warned that at some point it would need replacing. There was no evidence the policy was mis-sold and no reason for the policy premiums to be refunded to Mr C.

Mr C disagreed and wants an ombudsman's decision. He recalled being told the flue wasn't to current standards and that not all boiler parts may be available. But if he'd been told the boiler/flue was unsafe he would have taken immediate action to replace if necessary. He sent us photos of the flue on the day it was condemned which he said didn't show distress or surface rust but structural failure. He said his complaint was about safety and BG's failure to carry out a thorough service. He thought the only way BG would learn from its mistake, and prevent a family from possibly being harmed, was to impose a financial penalty to highlight the problem to its senior management.

my findings

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

On the evidence I have I don't uphold this complaint.

First, I should explain to Mr C that we aren't BG's regulator and I can't impose punitive financial penalties on a business. I can only look at Mr C's own complaint to see if BG has done anything wrong under the terms of the policy through which it provides annual services. If so, I decide a reasonable remedy for Mr C's situation.

BG's service records, which Mr C has seen, show that in 2011 and 2012 he was told the boiler wasn't to current standards and he declined quotes for a new boiler. In 2013 he was told parts may not be available. He recalls being told that information. BG's 2014 service record says the flue showed signs of distress. Mr C hasn't said he wasn't told about that. His point is that the damage to the flue found in 2017 went far beyond distress; he says it was structural failure. The photos he's sent us show a large hole in part of the flue and on the same day BG's service notes say the flue was corroded and 'immediately dangerous'.

But I've no evidence about when the corrosion occurred to the extent that it had made the flue dangerous. In July 2014 BG noted the flue to be distressed. Its December 2015 service notes say the flue wasn't to current standards. The next service notes are from March 2017 when the flue was condemned.

I've got no evidence that supports Mr C's belief that the flue's condition in 2017 meant it was more likely than not in an unsafe condition in December 2015 when BG last did the service. So I can't reasonably say BG should have warned Mr C that the flue was unsafe earlier than March 2017.

Mr C may want to get a report from an independent expert on that matter. I appreciate the boiler and flue have been removed so the report would be based on the photos. If the report supported Mr C's concerns he would need to give that new evidence to BG to assess.

When Mr C knew of the flue's condition in 2017 he was understandably concerned about the potential health risks. But thankfully nothing happened and I don't award compensation on what might have happened. Mr C was left without heating while his boiler was replaced. But as he had been told there were issues with his boiler he had been put on notice that the boiler had a limited life. As I've no evidence that BG did anything wrong its goodwill offer of £50 compensation is reasonable.

There's no evidence that the policy was mis-sold and no basis for me to say the premiums, or the annual service fees that form part of the premium, should be refunded to Mr C. I've no evidence to support Mr C's concern that BG didn't carry out the services to a reasonable standard.

my final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 7 December 2017.

Nicola Sisk
ombudsman