

complaint

Mr K has complained about the handling of a claim under his central heating insurance policy with British Gas Insurance Limited.

background

Mr K holds the policy with British Gas for a property that he rents out. In early 2018, he made a claim under his policy when the boiler broke down.

British Gas sent an engineer out who concluded that the boiler couldn't be repaired, as the parts needed were now obsolete. British Gas offered a discount of £700.00 if Mr K got the boiler replaced by British Gas New Heating Limited. However, when they came out to inspect the property, they said they wouldn't be prepared to install a new boiler because of the condition of Mr K's property. Another engineer came out shortly after that to make sure there was no way of repairing the boiler. British Gas still considered it could not be repaired and as the policy only provides for a replacement boiler, if the original is less than 10 years old (and it says Mr K's boiler was over 15 years old) British Gas didn't make any settlement to Mr K.

Mr K is extremely unhappy with this. He says British Gas kept telling him it would be able to repair the boiler and if it had told him earlier that it couldn't, he could have arranged the replacement a lot sooner. As a result of not doing so, the boiler was not working for some time. His tenants left owing him rent and when he returned to the UK he had to stay in the house with no heating or hot water for two weeks while he sorted out a new boiler.

The reason British Gas New Heating Limited refused to quote was because there was a record of pest infestation in the house but Mr K says this was resolved, under a pest control insurance policy also provided by British Gas, some time previously.

I understand Mr K arranged his own contractor to replace the boiler but he says that, as British Gas couldn't repair the boiler, it should have replaced it free of charge; pay £700 compensation; and provide him with a magnafilter, which he says he was also offered free of charge.

One of our investigators looked into the matter. She didn't think it should be upheld. The investigator said that as the boiler couldn't be economically repaired, British Gas did not need to do anything further.

Mr K remains unhappy and so the matter has been referred 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.

Mr K's policy of insurance with British Gas says that it will carry out repairs where possible. In the event that a repair isn't possible it says it will provide:

"A replacement for your boiler if we can't repair it and:

- *It's less than seven years old*

- *Or, it's between seven and ten years old, we installed it and it's been continuously covered by British Gas".*

Mr K has not argued that the boiler was repairable and I've seen no evidence to suggest that British Gas's diagnosis of what was wrong with the boiler was incorrect. Therefore I have to consider whether Mr K is entitled to a new boiler under the policy.

Mr K says he bought the boiler in 2009 but is unable to find the receipt and has not provided any other evidence to support this. British Gas says it is over 15 years old. However, its computerised record says the system was installed in 2007. It's not clear whether it was installed by British Gas or not. I consider that the records are probably the most reliable indication of the age of the boiler. The evidence does therefore indicate that it is more than 10 years old. As British Gas only has to replace the boiler if it is less than seven years old, or 10 years old if it installed it, there is no cover under the policy for British Gas to provide Mr K with a replacement.

A discount was offered to encourage Mr K to use British Gas New Heating to install a new boiler but this is not the same as offering a cash settlement under the policy. Although Mr K was referred to another part of British Gas for the installation of a new boiler, as this would not be done under the insurance policy, I have no power to make them provide a quote or agree to do what is essentially private work installing a new boiler.

So whatever the reason for refusing to quote for or do the work, that is not a matter for my consideration as it is not part of the insurance provision. I am not persuaded that British Gas has to provide Mr K with a new boiler or pay any cash settlement in the amount of the discount that was offered to him.

Mr K also says that as a result of delays by British Gas, his tenants left owing him rent and he had to live in the property with no heating or hot water for around two weeks. However, the notes show that there was an attendance on 8 January 2018 and Mr K was told that day that it wasn't covered, there were some other attendances but I've seen no evidence that British Gas Insurance Limited caused any avoidable delay. What happened after that with the New Heating side of the business is a different issue and not one I can determine. There isn't enough evidence to support Mr K's allegation that he was left without a working boiler due to any error or wrongdoing on British Gas Insurance Limited's behalf.

my final decision

I don't uphold this complaint 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 17 October 2018.

Harriet McCarthy
ombudsman