

The complaint

Mr P complains about the way British Gas Insurance Limited has handled claims he made on his home emergency insurance policy.

What happened

Mr P's policy covers the home his parents live in. In March 2019, he made a claim on his policy because their boiler wasn't starting properly. British Gas' notes suggest the first engineer cancelled the visit. Mr P had to make a couple more call outs during March because the boiler kept losing pressure.

Mr P was unhappy with the service he'd got from British Gas and he made a complaint. He said he'd had to make multiple claims on the policy over the past couple of years because of loss of boiler pressure. His father was also unwell. Mr P wanted a refund of premiums for the past two years of policy cover.

British Gas looked into Mr P's concerns. It said in May 2017 and January 2018, its engineers had told Mr P the boiler needed to be isolated during the summer months. It said there'd been reasonable gaps between claims. It arranged for an engineer to look at the boiler on 1 June 2019.

But the next day, the same problem recurred. Mr P called British Gas again. He experienced long delays in getting through and a dropped call. He spoke with various members of British Gas' staff to try to sort things out.

Ultimately, British Gas offered an engineer to come and out and do a full investigation into the root cause of the boiler issue. It agreed to refund Mr P's premiums from April 2019 – when he first complained. And it sent Mr P a cheque for £50 to recognise the poor service he'd had when he'd tried to call. Mr P wasn't happy with British Gas' offer and he asked us to look into his complaint.

Our investigator thought Mr P's complaint should be upheld. She didn't think British Gas needed to refund the premiums Mr P had paid since 2017. That's because Mr P had had the benefit of the policy and repair works had been carried out during that time. But she noticed that in June 2018, an engineer *had* isolated the boiler. This still hadn't resolved things. So she thought that at this point, British Gas should've done more to try and diagnose the root cause of the boiler problem. She recommended that British Gas should pay Mr P an additional £100 for the distress and inconvenience he'd been caused by its handling of his claims.

Mr P wasn't happy with the investigator's recommendation. He thought British Gas should refund his premiums for two years. British Gas also disagreed with the investigator. It said Mr P's boiler was 29 years old and it had recommended replacing it when he took out the policy. It said if a boiler's old it's likely to face more issues. But it had carried out repairs to Mr P's boiler over the years, which had cost a lot of money.

The investigator asked Mr P for information about his boiler. He said he'd bought it in 2007. She asked British Gas for evidence to show the boiler was 29 years old. To date, it hasn't provided any records which reflect this. The complaint's been passed to me to decide.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I don't think British Gas has treated Mr P fairly. I'll explain why.

British Gas told us Mr P's boiler is 29 years old and that it'd offered to replace it for him. This is important, because I might expect to see a higher number of claims if a boiler is reaching the end of its life. Mr P told us he bought the boiler in 2007 – which would make the boiler around 13 years old (and 12 years old back in 2019).

The investigator asked British Gas for evidence to show Mr P's boiler is 29 years old. It sent us its job notes, but these don't include the age of the boiler. What they do include though is the make and model of the boiler. I've had a look at the manufacturer's website. It looks like Mr P's boiler was first produced in 2002. So the oldest it seems Mr P's boiler could be is 18 years old. And I see no reason to doubt what he's told me about when he bought it. This means I think it's most likely Mr P's boiler *wasn't* 29 years old. And so it seems less likely it was reaching the end of its life back in 2019.

I've then thought about whether British Gas should refund Mr P the premiums he paid after 2017. In these circumstances, I don't think that would be a reasonable outcome. I appreciate Mr P has experienced a number of issues with the boiler. But the job notes show that with the exception of one missed visit from an engineer; British Gas generally responded to Mr P's claims fairly promptly.

The notes show that during the claims Mr P made during 2017, 2018 and 2019, the engineers replaced and repaired boiler parts. The job notes show these included replacing sensors, the expansion vessel and cracked flues, as well as bleeding out the radiators and fitting new blanking caps.

It's also clear that there were gaps between Mr P's claims on his policy at points. Following the claim Mr P made in May 2017; he didn't need to call out British Gas again until the end of January 2018. While he needed to claim again in June 2018 (and it seems a few call outs were needed at this point), he didn't then need to claim again until March 2019. I accept what Mr P's told me about him needing to manually re-pressurise the boiler in between claims. But given Mr P was able to self-manage things at this point, it does seem like the boiler was providing heat and hot water and didn't impact too much on day to day life.

So it seems to me that while Mr P isn't happy with the service he got from British Gas, it did fulfil its obligations under his policy. And given the repairs to his boiler over the years, I think he has benefited from the policy cover. This means I think it's fair for British Gas to keep the premiums he paid from 2017 onwards.

However, I don't think British Gas did all it could've done to try to get to the root cause of the boiler issues after June 2018. I've carefully considered the job notes. I can see that in January 2018, an engineer recommended that the boiler should be isolated during the summer months. This happened on 2 June 2018 and the pressure was ok. But Mr P had to call again a couple of days later, because there was still an issue. I think this should've put British Gas on notice that a deeper diagnostic check might be needed.

Mr P then needed to call again a few times in March 2019 because he was still experiencing

issues. The engineers tried different things to resolve the problem. Mr P says he told each engineer that the pressure kept dropping and he had to manually fix it. So I think it might've been reasonable for British Gas to try to find the underlying issue that was causing a repeated pressure drop.

It's clear British Gas did go on to offer a detailed investigation when it looked into Mr P's complaint. But by this time, I think there'd been a breakdown in communications and Mr P simply didn't want to go ahead.

In the round, I think compensation of £100, in addition to the £50 cheque British Gas has already sent Mr P - a total of £150-feels fair. I think it recognises the time Mr P was put to in manually re-pressurising the boiler and in needing to chase up appointments. If Mr P hasn't yet cashed the £50 cheque, it may now be out of date. So British Gas may need to send Mr P a new cheque for the full amount of £150.

My final decision

For the reasons I've given above, my final decision is that I uphold Mr P's complaint.

I direct British Gas Insurance Limited to pay Mr P further compensation of £100 for his distress and inconvenience. This is in addition to the £50 compensation British Gas has already paid Mr P.

British Gas Insurance Limited must pay the compensation within 28 days of the date on which we tell it Mr P accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

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

Lisa Barham
Ombudsman