

The complaint

Mr N complains about how British Gas Insurance Limited handled his claim for a broken boiler. He's also unhappy with the service he received.

What happened

Mr N holds a HomeCare policy with British Gas Insurance Limited – hereafter referred to as “British Gas”.

On 8 November 2019 a British Gas engineer attended Mr N's home address in order to undertake an annual boiler service. Mr N said prior to the service he didn't experience any problems with his boiler. And he said the engineer informed him that his boiler was in working order.

However, shortly after the boiler service Mr N said he noticed the timings of the heating weren't coming up as previously set and he had no heating or hot water in the house. So, he contacted British Gas to request the attendance of an engineer.

On 17 November 2019 an engineer attended Mr N's property and informed him a faulty electrode lead had caused the boiler to stop working. They said they were unable to repair the boiler so it would need replacing.

Mr N stated his boiler had been in good working order up to the date of the service. And he felt he wasn't given an explanation as to why it had failed – particularly given that the servicing engineer had deemed the boiler to be in good working order at the time of the service.

Mr N didn't agree that his boiler had broken down due to wear and tear. Instead, he thought the engineer who'd serviced his boiler had caused it to break. He also thought his boiler was repairable because the service report indicated that all functional parts were available. But British Gas disagreed and told Mr N his only option was to purchase and install a new boiler.

As Mr N's house remained without heating and hot water during a very cold time of year, and while his wife was suffering ill health, he said he felt obligated to purchase a new boiler from British Gas. But after the new boiler was fitted the issues affecting Mr N's property weren't resolved despite multiple engineer visits. So, he complained.

When British Gas responded to Mr N's complaint it explained that it had attempted to repair his boiler but hadn't been able to do so because the part that needed replacing was obsolete. So, the boiler had had to be replaced. It therefore didn't uphold this part of Mr N's complaint. But it didn't accept that the customer service he'd received was poor and it sent him a cheque for £170 in compensation to recognise that.

Being dissatisfied with British Gas' response to his complaint Mr N referred it to our service. Our investigator assessed the information provided by Mr N and British Gas and recommended upholding this complaint. They weren't persuaded that British Gas had dealt with this complaint fairly. And they recommended that it should pay Mr N a further £130

compensation to reflect the impact of errors it had made. But British Gas disagreed with our investigator's view of Mr N's complaint and asked for it to be referred to an ombudsman.

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.

My role here is to assess whether I think British Gas made a mistake, or treated Mr N unfairly, such that it needs to now put things right. So I've thought very carefully about what happened.

I can see Mr N and British Gas have gone to some trouble to provide our service with some detailed points about this complaint. I want to assure them that I've read everything they've sent us. But I hope they'll understand if I don't address every comment they've made in this decision. I intend to concentrate on what I consider is key to this complaint.

Mr N believes the fault his boiler developed was caused by British Gas. But I can see that when the British Gas engineer attended Mr N's property on 8 November 2019 and carried out the service no faults were reported.

I think if a fault had been identified at the time of the boiler service this would have been recorded by the engineer. I'm therefore not persuaded, based on the evidence available to me, that the fault was caused by the engineer who serviced Mr N's boiler. And I think, on balance, the electrode lead developed the fault after the service took place. It follows that I can't hold British Gas responsible for that.

I understand that Mr N disputes a replacement boiler was necessary. He believes British Gas could have repaired his boiler. And I can understand why he might think this given that the servicing engineer completed a report stating that all functional boiler parts were available. But I've seen evidence that proves that the parts required to repair the boiler were obsolete. This is unsurprising given the age of the boiler. And it explains why British Gas was unable to complete a boiler repair. I'm therefore satisfied that the only option available to Mr N was for his boiler to be replaced.

I've seen evidence that shows Mr N's boiler was around 18 years old. It was installed in January 2002. Our service would take the view that this is beyond the typical life span of a boiler. And I can see this is reflected in Mr N's HomeCare policy, which states it won't replace a boiler under the terms of the policy where the boiler is over ten years old. I therefore can't fairly find that British Gas acted unfairly in declining to cover the cost of replacing Mr N's boiler.

Like our investigator, I'm satisfied British Gas took reasonable steps to make Mr N aware of the limits of his HomeCare policy. I say this because the renewal quote he received from British Gas advised him that his boiler was no longer manufactured and, due to its age, may not be repairable in the event it broke down.

I've also seen evidence that Mr N was made aware by British Gas during 2012 and 2014 that there were limited parts available for his boiler and he should consider replacing it. I'm therefore persuaded that Mr N ought to have known his boiler was approaching the end of its serviceable life and would require replacing.

In the overall circumstances of this complaint, I'm not persuaded British Gas applied the terms of Mr N's HomeCare policy unfairly in declining to cover the cost of replacing his

boiler. And I'm satisfied it couldn't repair Mr N's boiler due to its age and the parts it needed being obsolete. I therefore don't uphold this part of Mr N's complaint.

Putting things right

I'll turn now to Mr N's concerns about the service he received from British Gas and I'll explain why I'm upholding this part of his complaint.

It's clear that the service Mr N received from British Gas was poor. Following the new boiler installation it was identified that a pipe had been fitted incorrectly, which had caused the boiler to fail. So, instead of the issues affecting Mr N's property being resolved they continued until the pipework was reconfigured. Mr N was also misinformed about the availability of parts in the annual servicing report the engineer completed. And multiple engineer visits were made to Mr N's property after the new boiler was installed.

In recognition of the trouble and upset Mr N was caused British Gas has already paid him £170 compensation. It's clear Mr N doesn't feel that fairly reflects his experience here. With that in mind, I've thought carefully about what a fair offer to put things right looks like here.

Our investigator recommended British Gas pay further compensation of £130 – bringing the total award to £300. But British Gas feels this recommendation is unfair and disproportionate given it had advised Mr N that his boiler needed replacing from 2012 onwards.

While I hear what British Gas has said here, I think it's important to say that when our service considers an award of compensation we look at the impact of a business' mistake on the consumer.

It's clear that Mr N was misinformed about the availability of parts in the annual servicing report the engineer completed. I think this set an unrealistic expectation in Mr N's mind about whether his boiler could be repaired if it were to break down. And I can understand why this caused him to question why British Gas was telling him his boiler had to be replaced.

As I mentioned previously an error was made during the new boiler installation process, which while subsequently remedied, meant that Mr N's property continued to be without heating and hot water for a short while. I can appreciate how frustrating that was because this all happened during a period of very cold weather and while Mr N's wife was suffering ill health.

I've seen evidence that multiple engineer visits took place after the new boiler was installed. These visits wouldn't have been necessary had the boiler been fitted correctly. And this caused a delay in resolving the issues affecting Mr N's heating and hot water. I can see that Mr N was also caused inconvenience as each engineer visit that had been arranged required him to take time off work.

It's clear to me that this all caused trouble and upset, which was further exacerbated because of the time of year and Mr N wife's ill health. Having had regard to the impact British Gas' mistakes had on Mr N, I'm not persuaded the compensation already paid adequately recognises the distress and inconvenience he would have experienced here.

Like our investigator I don't think British Gas did enough to resolve Mr N's complaint. And I'm satisfied that the additional £130 compensation award recommended by our investigator would be fair and reasonable here. This takes the overall award to £300, which is in line with awards made by this service in comparable circumstances. I understand that British Gas has already paid Mr N £170 compensation. So, it should now pay him and additional £130 compensation to resolve this complaint.

My final decision

My final decision is that I uphold Mr N's complaint about the service he received. British Gas Insurance Limited should pay Mr N an additional £130 in compensation to resolve this part of his complaint (taking the total amount to £300).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 13 September 2020.

Julie Robertson
Ombudsman