

The complaint

Mr G has complained about the service he received from British Gas Insurance Limited (BG) when his boiler broke down.

What happened

Mr G has had a BG HomeCare One policy covering two tenanted properties since 2017.

This policy provided cover for the boilers and controls and included an annual service. It also provided him with a Gas Safety Certificate and a gas cooker safety check and certificate.

Just after a new tenant had started to move in to one of Mr G's properties, the boiler broke down. The tenant's moving in had to be postponed while the boiler issue was sorted out as there was no hot water or heating.

Mr G phoned BG on 23 November 2019 to arrange for an engineer to visit. He says he was told by BG's agent that an engineer couldn't visit for six days due to a shortage of engineers. It would only be able to send an engineer sooner if there was a vulnerable person in the property.

Mr G couldn't wait six days, as his tenant was expecting to fully move in and had had to find alternative temporary accommodation. Mr G therefore had to spend a considerable amount of time trying to find a boiler engineer who could come sooner. After contacting many engineers who weren't available, he eventually found two who could come, both of whom advised that the boiler would need to be replaced. Mr G therefore had to buy a new boiler which costs him £2,025.

Mr G emailed BG on 24 November to complain. He received an email acknowledging receipt of his email, and giving him a reference number, but he hasn't heard any more.

Mr G says that BG has failed to deliver the service he took out insurance for. He's referred to BG advertisements from 2010 onwards which give customers the impression that they can expect a visit from an engineer on the same day that a problem is reported. He's drawn attention to the fact that the Advertising Standards Authority has been critical of such advertisements. He says he was influenced by such advertisements when he was considering cover for his rental properties to give him peace of mind. He says that his insurance was mis-sold by BG.

Mr G's position is that it was unreasonable for BG not to be able to send an engineer for six days. He acknowledges that it's reasonable for BG to prioritise its service to those who are vulnerable, but that to leave those who are not vulnerable to wait for six days without heating or hot water isn't reasonable. He says that as a landlord he has a legal obligation to provide these basic facilities to his tenants. He says that BG is in breach of his agreement with him. He wants BG to reimburse to him all the premiums he's paid for his two properties, amounting to £1,472.12 including 8% interest, on the basis that he's been paying for a service that BG can't provide.

Although BG hasn't commented on Mr G's complaint in a final response letter, it's been given the opportunity by our investigator to state its position.

BG says it has no record of Mr G's call to it on 23 November. Nor do its records show any contact from him since he booked an annual service visit earlier in 2019. As to his email of complaint, it's said that this was sent to the incorrect email address.

BG has said that it doesn't provide a time scale for its engineers' visits. It's also said that it wouldn't refund all premiums paid for one failed claim.

Mr G brought his complaint to this service. Our investigator didn't consider that BG had acted unreasonably in the circumstances. Mr G didn't accept our investigator's view and asked that his complaint be referred to an ombudsman. His complaint was passed to me for a decision. I issued a provisional decision upholding Mr G's complaint.

In response to my provisional decision I received further information from BG about the premium payments Mr G had made for cover for the policy year beginning 22 May 2019. It didn't agree with my provisional decision but offered Mr G £50 compensation. Mr G has provided further information in response. He has rejected BG's offer of £50.

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 taken into account the responses I received to my provisional decision, I'm continuing to uphold Mr G's complaint but to vary my award and I'll give my reasons.

Although BG doesn't have any record of Mr G's phone call on 23 November 2019 seeking an engineer, I'm satisfied that Mr G did make such a call. There would be no reason for him not to call BG in these circumstances, as having his boiler repaired if he needed to was the main purpose of his taking out his policy, which only covered him for his boiler.

I've looked at Mr G's policy to see what it says about timescales. There's no reference to it committing to attending within any particular time. Its advertisements might give that impression, but they have been criticised for doing so. The actual contractual commitment is much more vague. The policy states:

Reasonable timescales

We'll carry out any repairs or visits you're entitled to within a reasonable time, unless something beyond our control makes that impossible – in which case we'll let you know as soon as possible and give you another time when we can visit.

I accept, and Mr G accepts, that it's reasonable for BG to prioritise those who are vulnerable. But I don't accept that those who aren't vulnerable, but still without heating or hot water, should be required to wait for six days before an engineer's visit. I don't consider that to be reasonable time. And I don't think it's reasonable to say that a shortage of engineers is beyond BG's control. Mr G has paid for a service that he hasn't received. I think it was reasonable of him to have contacted other engineers who could visit sooner.

As I consider that BG's failure to respond to Mr G's breakdown within a reasonable time has led to him having to suffer a considerable degree of inconvenience and

upset in having to make alternative arrangements for other engineers and ultimately a new boiler, I think that BG needs to do something to put this right.

Mr G has asked for all his premiums to be reimbursed. I don't consider this to be reasonable or proportionate. He has had the benefit of cover for two properties since 2017. He's received annual services and Gas Safety Certificates as part of these policies as well as knowing that were a problem to occur, BG would be required to come and put it right. The fact that on the one occasion when Mr G called on BG's services it wasn't able to provide a timely service doesn't mean that this would always happen. BG doesn't guarantee that it will offer a timely service 100% of the time. On the basis of a single unsatisfactory claim I can't say that Mr G's policy was mis-sold.

As BG didn't provide Mr G with the service I consider it was reasonable for him to expect on this occasion, I think it would be fair and reasonable for BG to reimburse to Mr G the premium he paid for his policy for 2019 for the property in question.

Mr G's policy year started on 22 May 2019 and his premiums were paid in monthly instalments. BG provided him with an annual service and a Gas Safety Certificate on 11 July. He cancelled the policy in relation to the property in question on 2 January 2020 having paid seven instalments of premium totalling £123.90. I consider it would be fair and reasonable for BG to reimburse this sum to Mr G, and that it also pay him a further £100 for the trouble and upset he suffered.

I should also address Mr G's complaint about BG's handling of his initial complaint. Unfortunately, I'm not able to address this as complaint handling is not a regulated activity and therefore falls outside the jurisdiction of the Financial Ombudsman Service.

My final decision

For the reasons I've given above, I'm upholding Mr G's complaint and I require British Gas Insurance Limited to reimburse to him the sum of £123.90 he paid in premium for the policy year 2019/20 and a further £100 compensation for trouble and upset..

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 19 January 2021.

Nigel Bremner
Ombudsman