

The complaint

Mr N complains about the service provided by British Gas Insurance Limited (British Gas) under his Home Care policy.

In considering Mr N's complaint I've only looked at those aspects that fall within the jurisdiction of this service. I've not considered those aspects that fall outside the jurisdiction, such as those concerning the handling of requests under data protection and those relating to gas safety. They also include those that relate to the organisation, structure and handling of complaints by British Gas, other than to the extent they impact on the provision of the service to Mr N under his Home Care policy.

What happened

Mr N held a Home Care policy with British Gas that provided servicing and breakdown cover for his heating and hot water system. In December 2018 Mr N had an issue with his hot water system. He reported the issue to British Gas and an engineer visited Mr N's home and identified a fault with a valve in the hot water system. The engineer repaired the valve, which involved freeing and servicing the valve. But Mr N experienced further problems with the valve, and further visits to repair the valve were carried out in April 2019 (when the British Gas service records state that the valve was freed and lubricated) and again in June 2019 (when it was serviced).

Mr N experienced further problems with the valve in January 2020. At that point, British Gas replaced the valve.

Mr N complained to British Gas in January 2020 following the further problems with the valve. He was unhappy at the valve having to be repaired three times between December 2018 and June 2019, before being replaced. Mr N also complained about the cancellation on the morning of the original date of the appointment in January 2020 (the appointment was re-scheduled for five days later, when the valve was replaced). British Gas considered his complaint and in April 2020 offered him £20 in compensation. Mr N was unhappy at the response, rejected the compensation offer and complained again.

In July 2020, British Gas agreed with his concerns about the multiple repairs to the valve and the way that his complaint had been dealt with on the previous occasion. British Gas also acknowledged that they had been unable to contact Mr N to speak to him about his concerns. In recognition of the shortcomings in the level of service provided, they offered Mr N a further £60 in compensation in addition to the earlier £20, making a total of £80. Mr N remained unhappy at this response and rejected the offer, writing to the Chief Executive in September 2020.

Mr N was unhappy at the outcome of his complaints and complained to this service in September 2020. The main point of his complaint that falls within the jurisdiction of this service was about the standard of service that he received under his policy. In particular multiple repairs of the valve before it was replaced, as well as cancelled appointments and the way in which his complaints were dealt with by British Gas.

Mr N requested a refund of the premiums paid under his policy from the date the valve first became faulty (roughly £500 per year). He also asked for compensation, for the maximum sum that this service could award, for the time and trouble that he had been put to during the period to carry out the repair and his subsequent complaints to British Gas.

Our investigator did not uphold Mr N's complaint. The investigator concluded that British Gas's decision to repair the valve initially and then subsequently, before replacing it was in line with the terms of Mr N's Home Care policy and wasn't unreasonable. The investigator also concluded that British Gas had given reasonable explanations for re-cancelling and re-scheduling appointments, and that it had acted fairly in offering a total of £80 in compensation for time and trouble and the way they had dealt with Mr N's complaints.

Mr N disagreed with the investigator's conclusions and requested an ombudsman review the complaint.

In my findings I disagreed with the investigator's view that British Gas had acted fairly in offering a total of £80 in compensation. In my view, taking the circumstances and issues of his complaint into account, a higher level of compensation was appropriate. I thought that £150 in total would be reasonable, made up of £70 in addition to the £80 already offered.

Because I disagreed with the investigator's view, I issued a provisional decision to give both parties the opportunity to consider things further. This is set out below.

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

My role here is to decide whether British Gas has acted fairly towards Mr N.

*Regarding the multiple repairs to the valve and its replacement, I think it was reasonable for British Gas to initially repair the valve. The description of the specific Home Care product taken out by Mr N is that it is "designed to meet the needs and demands of customers who want to protect their boiler, controls and central heating on a service and repair basis." More specifically the 'What's covered' section of the policy includes reference to "All **repairs**(*) to the heat and hot water system on your **property**" and to "A **replacement** of parts of your **central heating** if we can't **repair** them."*

() – The policy defines 'repair' as "to fix your boiler, appliance or system following an individual fault or breakdown."*

That the valve was initially repaired, such that Mr N's hot water system was fixed and worked normally is consistent with the purpose of the Home Care policy. I also think it's reasonable that British Gas would assess whether a repair was possible when the fault re-occurred.

The Home Care policy doesn't set out any specific criteria for when a replacement would be carried out rather than a repair, nor to the number of times (and how frequently) an individual part would be repaired before then being replaced. British Gas have said that valves are designed to be maintained and serviced before being replacement is considered, and that they do not have written guidelines for when a part should be replaced rather than repaired, as this is down to the discretion of the engineer when they visit. However, in their response of July 2020 to Mr N's complaint, British Gas state that their practice is not to replace a valve

if it becomes stuck until the third fault. However, as Mr N reported problems with the valve in December 2018, April 2019 and June 2019 it isn't clear to me why the valve wasn't replaced in June 2019, the third occasion that Mr N reported the fault within a six-month period and as the third fault arose only two months after the second. Based on these factors, I think that it isn't unreasonable for Mr N to have expected the valve to have been replaced earlier.

On the issue of cancelled appointments and the short notice given, I appreciate that having appointments cancelled at short notice, when Mr N would have made arrangements to be around on the dates, would have been inconvenient and frustrating. British Gas have said that they made efforts to contact Mr N when cancellation and re-schedule took place, and I can see that their records support this. It's reasonable that cancellation and re-scheduling are sometimes necessary, for example to deal with emergency calls and those from vulnerable customers. It is also reasonable that these would take priority, particularly at times of high demand.

This is reflected in the Home Care policy, where referring to 'Reasonable timescales' it states that: "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 to visit."

Mr N also raised other concerns in his complaint. These are:

- The way in which he was contacted by British Gas not being the way in which he initiated contact.*
- The online booking system not being available for Mr N to make appointments*
- Lying about a compensation offer.*

Taking these issues in turn, I haven't seen evidence that persuades me that Mr N made a specific request to be contacted in a particular way. Correspondence and service records from British Gas indicate that they did seek to contact Mr N in different ways, including phone and email. I've seen no evidence that Mr N has been disadvantaged through the ways in which British Gas have sought to communicate with him.

While the unavailability of an online booking system can be inconvenient, occasionally such systems can be unavailable due to technical issues or planned maintenance. And there are other means by which businesses can be contacted in these situations. I haven't seen anything to suggest that Mr N was significantly affected by this factor.

Mr N is adamant that a specific conversation to offer him compensation referred to in the initial response letter to his complaint in April 2020 did not take place. British Gas have not been able to supply a recording of any such conversation, so it's not possible for me to conclude on this aspect. However, it may have been a simple factual inaccuracy in the letter, and I don't think it affects the substance of the issue (the offer of compensation).

In considering the compensation that British Gas offered to Mr N, taking the circumstances and issues of his complaint into account, I do believe that British Gas needs to do more to put things right. While they have acknowledged shortcomings in the service provided and the way that they handled Mr N's complaints, and offered compensation, I believe that the failure to carry out lasting repairs to the valve before it was finally replaced means a higher level of compensation is appropriate. Taking the impact of all the circumstances into account, I think that £150 in total would be reasonable, made up of £70 in addition to the £80 already offered.

My provisional decision

For the reasons set out above, my provisional decision is that I uphold Mr N's complaint and I am minded to require British Gas Insurance Limited to:

- *pay Mr N compensation of £150, which is made up of £70 in addition to the £80 already offered.*

I invited both parties to let me have any further submissions before I reached a final decision.

British Gas responded to say that each time they visited Mr N their engineer was able to free and lubricate the valve and left a fully working heating system. They acknowledged that they could have probably changed the valve sooner but added that if a part is repairable it would not be replaced. They also noted that on the third visit, in June 2019, the engineer assessed the valve and decided to service the valve rather than replace it and that the valve worked for the next seven months. When the valve failed again in January 2020 the decision was taken that it should be replaced. Having reviewed the case, British Gas maintained that the correct process was followed, and considered that the £80 compensation they offered was more than fair and that no further compensation was justified.

Mr N responded on two aspects. First, in respect of his view that British Gas had lied to him about a conversation to offer him compensation referred to in their initial response to his complaint. In his response Mr N stated that in their Final Response Letter of June 2020 British Gas acknowledged that a conversation did not take place. Mr N went on to say that it is therefore possible to conclude on this issue – that he had been treated unfairly. Mr N added that this was why a recording was not made available by British Gas. Mr N went on to say that he does not make a distinction between a 'simple factual inaccuracy' and lying, and that this dishonesty [alone] makes him feel it necessary to request again a full refund of his premium.

The second aspect was in respect of gas safety. Mr N responded that safety should be a consideration to judge whether he had been treated fairly by British Gas. Mr N noted that British Gas had yet to respond about his separate complaint to the relevant regulatory body about gas safety. Mr N also noted his separate complaint about data protection.

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.

In respect of the points made by British Gas, I acknowledged in my provisional decision that their engineers have discretion in deciding whether to repair or to replace a part when they visit. However, British Gas haven't addressed the point I noted in my provisional decision about their practice being not to replace a valve if it becomes stuck until the third fault. And that June 2019 was the third occasion within a six-month period that Mr N reported a fault with the valve (and the third occasion was only two months after the second). I've also noted the comment from British Gas in their response that they could 'probably have replaced the valve sooner'. Based on this I haven't changed my view that £150 in compensation would be a fair and reasonable outcome.

Regarding the points made by Mr N, on his first point of response, relating to whether he had been lied to about an offer of compensation, I accept that – as British Gas acknowledged – a conversation about a compensation offer did not take place. However, I don't think this affects the substantive point in my provisional decision – that a compensation offer was made (within the initial response letter to Mr N's complaint). I also don't agree with Mr N's view that there is no distinction between 'simple factual inaccuracy' and lying. The evidence

I've seen doesn't support the conclusion that Mr N was lied to. As the substance of my point remains that a compensation offer was made, in writing, then I don't agree that a full refund of Mr N's premium is fair or reasonable. So I haven't changed my mind on this point.

On Mr N's second point, I did consider **all** the circumstances (my emphasis) when coming to my provisional decision [that £150 in total would be reasonable]. So, I haven't changed my mind on this point and I still think that £150 is fair and reasonable. As I noted in my provisional decision, I've only looked at those aspects that fall within the jurisdiction of this service. It is for the appropriate bodies to whom Mr N has raised separate complaints about British Gas to determine the outcome of those complaints, including any remedial action as appropriate.

In summary, the responses from British Gas and Mr N haven't changed my view and my final decision and reasoning remains the same as in my provisional decision.

My final decision

For the reasons set out above, I uphold Mr N's complaint. I require British Gas Insurance Limited to:

- pay Mr N compensation of £150, which is made up of £70 in addition to the £80 already offered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 10 May 2021.

Paul King
Ombudsman