

The complaint

Mrs H complains about delays when she made a claim with British Gas Insurance Limited under an insurance policy covering faults with her boiler. To resolve her complaint, she wants British Gas to reimburse what she's paid for another contractor to carry out the repairs her boiler needed.

What happened

Mrs H's boiler stopped working on 21 November 2020. She contacted British Gas to have them visit and fix it. But they said they wouldn't be able to visit until 16 December – 25 days later. Mrs H told British Gas she wasn't happy about the wait. That led to them giving her an appointment for 26 November instead.

Mrs H contacted British Gas again on 25 November, as the appointment wasn't showing on her online account. British Gas confirmed the appointment had been cancelled, and said they now couldn't visit until 11 December – 20 days after she'd first raised her claim.

Unhappy with this, Mrs H arranged her own repairs. This wasn't straightforward, and it took the repairers she chose four visits to fix the boiler. The total cost was £1,873.80.

In response to Mrs H's complaint, British Gas said the delays in visiting were due to a shortage of engineers. They noted they'd talked about reimbursing Mrs H for any electric heaters she bought while waiting for an engineer, but hadn't discussed reimbursing her for someone else doing the repair.

They said they'd pay £49.99 for a heater Mrs H had bought, and £103.20 for the cost of the first visit Mrs H had from her own repairers. But they wouldn't cover the rest of the repair bill.

Mrs H brought her complaint to us. I made a provisional decision in April that explained my view. I gave Mrs H and British Gas some time to come back to me with any more points they wanted me to consider before I made a final decision. I've received comments from both. I've thought about these, and added to my earlier decision to show my thoughts on the points they've raised.

My provisional decision was that British Gas should have done more to respond to Mrs H's claim in a reasonable amount of time. I found Mrs H had taken reasonable steps to try to deal with that. So to put things right, I found British Gas should reimburse her for the extra costs she'd incurred.

Now that everyone's had chance to comment on my view, the complaint is ready for a final decision, which will be binding on British Gas if it's accepted by Mrs H.

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, my decision hasn't changed. So I'm going to repeat the key points here in my final decision. But I'll add to what I wrote before, to respond to the points Mrs H and British Gas have raised after seeing my provisional decision.

My starting point has been to compare Mrs H's circumstances with the terms and conditions of her policy with British Gas. Those terms show what was agreed when the cover was offered and taken out, so they make a good starting point for deciding what a reasonable level of service looks like.

The terms don't give specific timescales for repairs to be carried out. They instead say they'll be done "*within a reasonable time*". So I've thought about what a reasonable amount of time would be here.

Mrs H's boiler had stopped working. She's said that meant her home had no heating or hot water. Those are things I'd expect people to need and use every day, particularly in November. Alternatives can be used – boiling kettles for hot water, and using extra clothes and heaters for warmth. But they're not as convenient or effective as a working boiler and heating system. So most people wouldn't want to be using alternatives for too long.

Without any other terms or sales information that say otherwise, I find that a fair reading of "*reasonable time*" is that it means a few days, up to maybe a week. That's what I think most people would expect from insurance that covers something they need and use every day, and which it's inconvenient to be without for a long time.

That leads me to the decision that it was unreasonable British Gas could only initially offer an appointment to Mrs H on 16 December, and then later 11 December. To fulfil the agreement they had with her, they should have done more to deal with their shortage of engineers, so that they could attend within a few days.

I've again looked at the terms to see what these say would be done if British Gas couldn't attend a repair claim within a reasonable time. But there don't seem to be any terms that directly cover this. So I've thought about what it would have been reasonable for British Gas to have done.

I can see British Gas paid for an electric heater for Mrs H to use while waiting for an engineer. That's a temporary solution to the lack of heating, and could have been appropriate for a short delay. But I feel the long delay in Mrs H's case made this sort of temporary solution unsuitable.

The issue here was a shortage of engineers. So a reasonable way to fix that would have been for British Gas to find some engineers who were available in a reasonable time, and use them to carry out the work instead. Mrs H did that, but the difference is that British Gas should have paid for the replacement engineer, rather than her.

In response to my provisional decision, British Gas have again talked about Mrs H not running the work past them before agreeing to it. But – as I said previously – I can't see that process in the policy terms, or being explained to her at the time. The terms don't cover the situation Mrs H was in – British Gas not being able to attend her repair within a reasonable time – so I can appreciate she's had to make her own decisions about how best to proceed.

Putting things right

So my decision is that British Gas should have done more to arrange for an engineer to look at and repair Mrs H's boiler within a reasonable time. That would have meant she wouldn't

have had to pay the full cost of the repairs – British Gas would. So I intend to say they'll need to reimburse most of that cost to her, to put things right.

I can see the terms say that – in any claim – Mrs H would have had to pay an excess of £60 towards any repair work. In response to my provisional decision, Mrs H has said she'd accept one excess payment might be needed, but is worried British Gas may apply more. British Gas have indicated in their response to my decision that they feel four excesses should apply.

The terms of the agreement between British Gas and Mrs H say that an excess is payable each time a repair or replacement takes place. But they go on to say that if the fault being fixed is related to one fixed in the previous 12 months, there'll be no additional excess. Deciding whether a fault is related to an earlier fault or not is done by the British Gas engineer doing the repair or replacement.

As the terms say it's for an engineer to decide, I find it's fair for British Gas to rely on that when deciding how many excess payments are needed. But in Mrs H's case, British Gas don't have an engineer who looked at the fault before any repairs were done. That's the result of their unreasonable service, so I find it'd be unfair to penalise Mrs H as a result.

So British Gas shouldn't default to saying the four visits Mrs H had to repair her boiler means four excesses apply. They need to consider the work that was done, and the replacements made, and decide whether that indicates there was more than one fault with the boiler. If they can't make a decision based on the records of the work done, then the decision should be in Mrs H's favour. Otherwise, she'd be unfairly penalised for British Gas not having an engineer available to look at the boiler before it was fixed by someone else.

If Mrs H disagrees with British Gas's decision about how many excess payments are needed, that could be a further complaint. It could come to us to be looked at, but that would be a new and separate complaint to the one I'm deciding on here.

The cost that's actually reimbursed to Mrs H after the excess is taken off should have simple interest added, at 8%. This will reflect that Mrs H hasn't had the use of that money from the time she paid it to the repairers, until it's reimbursed to her by British Gas.

British Gas have confirmed they've already paid £153.19 offered at an earlier stage to resolve the complaint. The 8% on that part of the reimbursement should run from the time it was incurred by Mrs H to the date British Gas made the payment to her.

I've thought about the heater cost, which British Gas agreed with Mrs H. Had they provided a more reasonable service – arranging a replacement engineer at their own expense – it's possible British Gas wouldn't have offered to pay for a heater as well. But the fact is they did offer it, and Mrs H seems to have bought the heater off the back of that offer. It's unfair in my view that she should bear any cost from that, even though she's gained a heater due to British Gas's poor service. So the money British Gas gave for the heater still forms part of a fair remedy to this complaint.

Finally, I've thought about the emotional impact on Mrs H. She was upset by British Gas not providing the sort of service she was expecting, based on what she understood from her policy's details. And that was added to by the poor handling of the appointments, particularly when one was cancelled and put back many days without telling her.

While this can't be undone, some compensation will at least acknowledge the impact on Mrs H. But picking an exact figure is a matter of opinion. I've thought about the impact at the

time, and how the reimbursement and interest I've mentioned above will put right the financial loss Mrs H suffered.

Taking all the circumstances of this case into account, including the points Mrs H has made in response to my provisional decision, I'm still of the opinion £100 – on top of the other parts of the remedy I've described – does enough to acknowledge the trouble and upset caused by British Gas in this case.

My final decision

I uphold Mrs H's complaint about British Gas Insurance Limited. To put things right, they should do the following, in addition to the steps they've already taken:

- Reimburse Mrs H for all the repair fees she's paid, less any excess that would have applied had the claim continued with British Gas.
- Pay interest on the reimbursed funds at 8%, from the time any cost was paid by Mrs H to the date when British Gas pay the reimbursement.
- Pay £100 compensation for the trouble and upset caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 7 July 2021.

Paul Mellor
Ombudsman