

The complaint

Mr P complains about delays and poor standards of service from British Gas Insurance Limited, when claiming under his home emergency policy.

What happened

Mr P made a claim when his tenants reported there was no heating or hot water available in December 2020. They had a small baby in the flat and wanted this fixing quickly. A few days later an engineer fixed the problem with the boiler. Unfortunately, after a few hours, it broke down again.

Another engineer visited several days later and identified parts that needed replacing. This was followed up after three more days, but the engineer said he couldn't gain access to the flat. Mr P says the tenants were at home, so doesn't understand why. His tenants then moved out of the flat because of the lack of heating and hot water.

Over the next month several appointments were made but were not attended by British Gas' engineers. Mr P says he made numerous calls to British Gas to arrange for keys to the flat to be available, and he himself drove to the flat on several occasions to allow access. However, appointments were not met.

Three weeks after the first engineer's visit an engineer attended but did not have all the required parts to fix the boiler. These had to be ordered. An appointment was agreed for early January 2021. But this was later cancelled by British Gas. The next available appointment was confirmed for a further three weeks after the cancelled one.

Because of the ongoing problems and delays Mr P arranged for his own engineer to fit a new boiler and hot water system.

Mr P wants compensation for the inconvenience and travelling costs. Also 50% of the installation costs for the new system. He also says his tenants are demanding a refund of rent for the period no hot water system was in place. British Gas offered compensation for £370, which Mr P rejected.

Our investigator upheld Mr P's complaint. He thought the standard of service provided by British Gas was poor, leading to several delays in its attempts to fix the problem. He felt the company should increase its offer of compensation and contribute toward the cost of the installation Mr P had arranged.

Mr P didn't think this went far enough. British Gas thought this was too much and suggested a lesser contribution toward labour costs was appropriate. Both Mr P and British Gas asked for an ombudsman to review the matter. The complaint has 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 have decided to uphold Mr P's complaint. My findings are broadly the same as those of our investigator, which I expect both parties will be disappointed with, but I will explain why I think this is fair.

When the problem with the boiler was first reported an engineer attended in a reasonable timeframe. The hot water and heating system were restored. However, the system soon stopped working again within a few hours.

From the information provided, Mr P persisted to arrange follow up appointments to fix the boiler. However, he experienced numerous issues from here onwards. This included parts that needed ordering, an engineer that said he could not get access to the flat despite Mr P saying the tenants were at home, as well as numerous planned appointments that were cancelled by British Gas.

From his complaint summary I understand Mr P drove to the flat on four occasions to allow access to engineers. The first three appointments were either missed or cancelled after he had made the journey. When an engineer did attend at the end of December 2020, again he did not have the parts needed for the repair.

I can understand the frustration Mr P felt, given the numerous missed appointments and significant involvement required from him. I think it's reasonable to accept the service he received was very poor and attempts to fix the boiler should have concluded far sooner. I note British Gas does not dispute this point.

I have thought about Mr P's request that British Gas should contribute toward the costs he incurred in replacing the boiler and hot water system. I'm satisfied the company is at fault for the delays in attempting to repair the boiler. However, I must consider what the policy terms cover. In Mr P's case this it to carry out a repair.

British Gas says the policy doesn't cover the cost of a replacement boiler, referring to the following terms:

"Boiler replacement if we can't repair it and it is less than 7 years old (or less than 10 years old and we installed it and have covered it ever since)."

The company explain Mr P's boiler does not qualify under these terms. It also says it advised Mr P that parts for his boiler were becoming difficult to source, and that it may not be able to fix it if it breaks down. I can see that this information is contained in the renewal documents provided to Mr P dated in September 2020. The company says this information was confirmed in previous years as well.

It was Mr P's decision to replace the boiler. I understand this was based on advice from his own engineer that the parts identified by British Gas might not repair the problem. It was explained that further parts might be required, and this could create more delays.

Mr P had his tenants to think about and needed this fixed so they could get back into their flat quickly. Given the significant delays and poor standard of service from British Gas I can understand why he decided to pay for a new system, as it could not be guaranteed that the repairs would work, even after a significant wait.

In the circumstances I think it's fair that British Gas pays a contribution toward the cost of the installation. The company would have incurred some costs for labour had Mr P persevered with a repair under his policy. So, I think a contribution of the labour costs of installing the boiler is fair.

The total labour cost is £1,250. However, this was for the installation of the full system inclusive of the hot water cylinder and associated materials. The repairs British Gas were to carry out, in line with the policy terms, relate to the boiler. In the circumstances I think it is fair that British Gas pays the labour costs relating to the boiler installation. Mr P will need to demonstrate these costs with clarification from his contractor.

I have also thought about the inconvenience Mr P experienced when dealing with this matter. He says he made four round trips by car to the flat that were effectively wasted journeys. I understand one of these trips corresponded with Mr P's birthday, meaning his plans had to be changed. From what I can see around ten appointments were arranged from early December 2020 until the final appointment was given in mid-January 2021.

Regular contact was made by Mr P to British Gas to arrange appointments and find out what was happening. His tenants were significantly disrupted. This was no doubt difficult for the tenants but also difficult for Mr P to manage the relationship he has with them.

In these circumstances I think it's reasonable that compensation is provided for the inconvenience and hassle Mr P was caused. I think a payment for £600 is fair in these circumstances to acknowledge the impact this has had.

Mr P refers to owing his tenants around £3,000 in rental payments, for the time they were unable to live in the flat. Again, I acknowledge the difficult position Mr P has been put in here because of delays caused by British Gas. However, the policy terms do not provide for loss of rental income. In considering the cover provided by Mr P's policy, I am satisfied that the compensation payment for £600 is fair to acknowledge the inconvenience caused

My final decision

My final decision is that I uphold this complaint and British Gas Insurance Limited must:

- pay the labour cost relating to the installation of the new boiler, on receipt of confirmation of these costs from Mr P's contractor;
- pay a total of £600 compensation for the inconvenience caused.

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

Mike Waldron
Ombudsman