

## **The complaint**

Mrs T has complained about the service she received from British Gas Insurance Limited (BG) under her HomeCare policy.

## **What happened**

Mrs T says she held a HomeCare policy with BG between 2005 and 2017, which included the benefit of an annual boiler service. She later cancelled the policy due to the cost.

Unfortunately, Mrs T's boiler failed in 2020 and she claimed for a replacement boiler through her insurer at the time. The insurer turned down the claim as it said the boiler didn't have a full-service history, specifically for the years 2015 and 2017.

Mrs T said the boiler had been installed in 2014, so she expected services to be carried out annually from this point. She complained to BG as she said she'd requested a service in October 2015 which wasn't actioned, and that the service she booked in October 2017 wasn't done until January 2018.

To put things right, Mrs T wanted BG to compensate her for failing to carry out the two services and refund her full premium for the associated policy years.

BG said it had contacted Mrs T to book the 2015 service and said the delay in the 2017 service was due to high demand during the winter months. So, it didn't agree it had done anything wrong in line with the policy terms.

Mrs T didn't agree and brought her complaint to our service. Upon Mrs T referring her complaint, BG offered her £65 compensation for the missed 2017 service. Mrs T rejected BG's offer.

Our investigator looked at everything and recommended the complaint be upheld. They concluded that whilst they couldn't say for certain that the missed services directly contributed to the boiler failing, they did lead to Mrs T's subsequent claim being declined under her new policy. And they concluded that as BG hadn't provided the service under this section of the HomeCare policy, it should refund the premiums associated with the central heating cover and annual service costs for 2015 and 2017, along with simple interest.

BG didn't agree and asked for an ombudsman's decision. It said the onus was on Mrs T to book the service in good time to ensure it fell under the period of agreement. It said it wasn't required to complete or offer service visits within a reasonable timescale, it just had to complete one per contract year. And it said the service costs were incorporated into the premium, so it would only look to refund one or the other in any event.

Mrs T provided further comments for the ombudsman to consider, which included concerns about BG's ability to complete an annual service within each period of agreement, as set out in the policy terms. Mrs T added this rendered the service history of her boiler to be incomplete and invalid in any event, and so BG should compensate her towards the cost of the replacement boiler.

### **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 agree with the conclusions reached by the investigator for the following reasons:

- I'm satisfied from the evidence I've seen that Mrs T requested her service date in 2015 to be moved to October as she'd recently installed a new boiler. I've seen no evidence that BG responded to her enquiry, and Mrs T has also said that she couldn't rebook a new service unless invited to by BG. And given that Mrs T continued to get her boiler serviced in future years when prompted, I'm more persuaded that she would've done so had BG acknowledged and actioned her request to move the service date.
- I'm also satisfied Mrs T's request for a service in October 2017 was reasonable in the circumstances. Mrs T's policy ran from December to December each year. And whilst BG has said to our service that it isn't required to carry out the service in a reasonable timeframe, the policy terms I've seen explicitly state, "*We will carry out any **repairs** or visits you're entitled to within a reasonable timeframe, unless something beyond our control makes that impossible.*" This term is contained in the same policy section as "Annual service" and so I'm satisfied it applies here.
- So, I need to consider whether around three months was a reasonable time for Mrs T to have to wait for her boiler to be serviced, also taking into account that her period of agreement ended in December 2017. What is reasonable depends on the circumstances of each case. BG has said it is busier during the winter months as it prioritises call outs for broken heating systems. But I'm not persuaded that seasonal variation is some thing that is 'beyond its control' – heating systems are always most likely to go wrong during periods of cold weather.
- Therefore, I'm not persuaded that the 2017 service was done within a reasonable timeframe, and I think Mrs T could reasonably have expected that it would've been completed within the period of agreement.
- I agree that BG's actions here cannot be directly linked to the failing of the boiler in 2020, as this could've happened in any event. But BG's actions have had an impact on Mrs T's claim being turned down. So, as it didn't provide the agreed services for the two policy years when asked, it follows that it should refund Mrs T's premiums for this part of the policy cover.

For these reasons, I uphold this complaint.

### **My final decision**

My final decision is that I uphold this complaint. In order to resolve Mrs T's complaint, British Gas Insurance Limited must:

- Refund the premiums for the central heating cover section of Mrs T's policy for the years 2015 and 2017.
- Add 8% interest simple a year from the date the premiums were paid to the date of settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 20 January 2022.

Dan Prevett  
**Ombudsman**