

## **The complaint**

Mrs M complains about the way British Gas insurance Limited handled a claim on her home care policy following a leak from her boiler.

## **What happened**

In March 2021 Mrs M contacted British Gas, she'd noticed a leak coming from her airing cupboard where her boiler was stored.

British Gas said it couldn't send an engineer within a reasonable timeframe, so Mrs M would have to arrange her own repairs, and it would pay the invoice, subject to her policy terms. Mrs M did arrange some repairs which were refunded by British Gas, minus her policy excess.

In April 2021 Mrs M had a service from British Gas and no issues were noticed. But around two days later, Mrs M had another issue; she could hear loud banging coming from the airing cupboard. Again British Gas said it couldn't attend but it would refund any repairs she needed carrying out. Mrs M submitted an invoice for around £1,200, but British Gas only agreed to refund £96. It said the rest of the cost was for a powerflush, and this wasn't covered under Mrs M's policy.

Mrs M complained to British Gas about the service she'd received. She said firstly, British Gas had cancelled her service, which should have been in February 2021 and would have likely found the problem earlier, and if it had done so, a repair would have been carried out without her excess having to be paid. She also said British Gas hadn't been clear with her that the cost of a powerflush wouldn't be covered, so she was now out of pocket as a result of British Gas' poor service. She felt British Gas may have caused the further issues she had in April, given it had only attended her property a couple of days prior.

British Gas didn't agree to change its position on reimbursing the cost of the powerflush. But it did offer Mrs M £200 compensation for delays in responding to her complaint and the unnecessary distress and inconvenience she'd been caused.

Unhappy with British Gas' response, Mrs M brought her complaint to this service. Our investigator thought British Gas hadn't been clear with Mrs M on the limits of her cover. She thought British Gas should refund Mrs M the difference between what she paid for the powerflush, and what it would have charged her, which was £282.76.

Neither party accepted the outcome. British Gas said it couldn't be expected to list all the terms and conditions when Mrs M called to report the claim, and its policy terms are very clear that power flushes aren't covered.

Mrs M said she may not have gone ahead with the powerflush at all if she'd known it wouldn't be covered, as the issue she reported had been resolved, so she feels she should be reimbursed the full amount.

As neither party agree, the matter has come 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 agree with the outcome reached by our investigator, I've explained why below.

Mrs M has argued that had British Gas attended her property in February for her annual service as was expected, the engineer would have identified the leak she later claimed for in March and she wouldn't have had to pay her excess. Mrs M says when her plumber attended on 30 March, they advised the leak had been ongoing for some time. So Mrs M thinks it would have been picked up by British gas if it had attended her annual service.

The service part of Mrs M's policy isn't regulated, and so British Gas' attendance of this isn't something this service could investigate. But I've considered whether British Gas has acted fairly and reasonably in charging the excess after the first repair, and having done so, I think it was. I appreciate Mrs M says the leak could have been diagnosed earlier, but I haven't seen enough that makes me think the leak Mrs M reported was ongoing as early as February. So I think it's likely Mrs M would have had to pay the excess in any event.

British Gas has reimbursed Mrs M for other repairs, except the powerflush. It said it advised Mrs M in the first call in March that it would only cover repairs noted in her policy as included. And although British Gas hasn't been able to provide this service with the call from April 2021, it accepts it didn't tell Mrs M about any limits on this occasion. But it says it shouldn't be responsible for any reimbursement of the powerflush cost as it is set out clearly in the terms.

I accept British Gas sets out that the cost of a powerflush wouldn't be covered in its policy document, but I don't think this is enough to say it was clear with Mrs M what she would be covered for. Mrs M called British Gas twice in the space of a few weeks with issues with her boiler. It couldn't attend on either occasion, so despite Mrs M having the cover, she didn't fully benefit from it. So I think this means British Gas needed to take care to explain fully that Mrs M may not be covered for all repairs, in particular, if a powerflush is recommended. I accept British Gas' point that it can't be expected to read all of the terms to Mrs M on the phone, but I find it would have been reasonable for it to highlight that a powerflush wouldn't be covered, as this is one of the main repairs British Gas excludes, and can be costly.

So I've considered what Mrs M would have done, had British Gas been clear on her policy limits. Mrs M says she might not have had the powerflush done at all, as this was carried out at a later date, after the initial issue was resolved. And she only had it done as she was losing some heat from a couple of radiators. I accept Mrs M's point, but I don't think it's reasonable to ask British Gas to reimburse her fully for the cost of the powerflush. As Mrs M says, it was carried out later, after the initial problem was resolved, so it seems it wasn't needed to fix the issue she'd claimed for. And she could have checked whether British Gas would cover this as an addition to repairing the fault.

I've also considered Mrs M's argument that British Gas may have caused the further issues she encountered in April, given her service was only a couple of days prior. But I haven't seen any evidence to suggest British Gas' attendance caused Mrs M to need a powerflush.

I also consider Mrs M has now had the benefit of the powerflush, her heating seems to be operating better, and it could mean that any further repairs needed relating to sludge, would potentially now be covered by her British Gas policy. I've also considered that had British Gas been able to attend her property, she might have gone ahead with the powerflush at the time, given she'd had a few issues with her heating and boiler in the weeks prior.

However, it seems that had British Gas been able to attend, she'd have been charged less than she paid for the powerflush. So I think a fair and reasonable outcome to this complaint is for British Gas to reimburse Mrs M the difference between what she paid, and what it would have charged.

Mrs M paid £1,132.76 for the powerflush. British Gas estimated it would have charged £850. So British Gas needs to pay £282.76. And as Mrs M has been out of pocket by this amount, it also needs to add 8% simple interest on this amount from the date of the invoice, to the date of settlement.

British Gas has also offered £200 for the inconvenience caused by not initially responding to the complaint and being clear in its communication. Having considered everything, I think this is fair and reasonable for the unnecessary distress and inconvenience caused.

### **My final decision**

My final decision is that British Gas Insurance Limited needs to pay £282.76 to settle the complaint. It also needs to add 8% simple interest to this amount from the date the invoice was paid, until the date of settlement.

If it hasn't done so already, it also needs to pay £200 compensation for unnecessary distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 21 February 2022.

Michelle Henderson  
**Ombudsman**