

The complaint

Mr J complains that British Gas Insurance Limited unfairly declined his claim and cancelled his HomeCare policy. He also complains about the service he received.

What happened

On 29 November 2021, Mr J took out a home emergency policy with British Gas. It covered his boiler and central heating.

On 2 December 2021, Mr J made a claim. Following a missed appointment, British Gas attended on 10 December. However, the engineer concluded that, due to a significant corrosion issue, Mr J's boiler and central heating wasn't suitable for cover.

Mr J complained about the following:

- When the policy was taken out, his boiler and central heating were in full working order. British Gas told him it was unable to complete the first service for a few months, but it confirmed his cover.
- In respect of the claim, British Gas cancelled the first appointment without notice. The engineer who attended a few days later was unprofessional, aggressive, and he flouted Covid safety measures.
- The engineer simply looked at the hot water cylinder and said it wasn't covered due to corrosion. He didn't look at the boiler. The corroded pipework is external to the hot water cylinder, it was previously fitted by British Gas, and it doesn't affect the internal workings of the hot water cylinder.
- The engineer left a checklist with another customer's details on it. The comments say the boiler is faulty, but it works fine, and it wasn't checked by the engineer.
- British Gas sent him an email on 18 December confirming the policy was active. The email also said cover had been added for kitchen appliances, which isn't something he had asked for. As such, he was left confused about what cover was in place.

British Gas issued a final response, which set out the following:

- The cover was subject to a first service. The engineer found the central heating system to be unsuitable for cover due to a pre-existing fault.
- The engineer concluded the fault that caused the claim was a worn pump, which was causing intermittent overheating. He also identified there was significant corrosion, which could lead to further problems.
- Due to Mr J's comments, British Gas offered to revisit to reassess the situation. However, Mr J declined.

- British Gas apologised for the incorrect customer name on the paperwork, and it noted this was due to a system error.
- British Gas also apologised that the engineer didn't observe Covid safety measures and it noted the matter would be dealt with internally.
- The policy will be cancelled, with a full refund. British Gas will also issue £130 compensation for the failings it had identified.

Mr J noted he had since called out a plumber who simply adjusted the thermostat and the boiler continued to work as it should. He also referred his complaint to our service.

One of our investigators didn't think the complaint should be upheld. He thought British Gas had acted in-line with the policy terms. He also thought the refund and compensation were fair. Because Mr J disagreed, the complaint has been passed to me for a final decision.

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.

The policy schedule confirms the cover is subject to a first service. The policy terms explain the first service will be carried out as soon as possible after the agreement starts, and if a pre-existing fault is found during the first service, British Gas can cancel the boiler and central heating cover.

Whilst British Gas couldn't initially complete the first service for a few months, due to Mr J's claim, an inspection did take place shortly after the policy started. Furthermore, irrespective of Mr J's plumber being able to resolve the issue which led to his claim, British Gas found a pre-existing fault which could lead to future claims. In those circumstances, I don't find British Gas acted unfairly by relying on the terms to cancel the cover. I've also not seen anything that leads me to believe the policy was mis-sold.

Although Mr J says the corroded pipework was previously fitted by British Gas, and it doesn't affect the internal workings of the hot water cylinder, he's not provided supporting evidence. On the other hand, I consider British Gas' offer to revisit, to reassess the situation, to be reasonable. Mr J was entitled to decline the offer. But, in my view, British Gas can't reasonably do anything more.

Mr J says the engineer was aggressive and he flouted Covid safety measures, and based on his comments, I accept the service and care wasn't as it should have been. I also accept his frustration at the missed appointment, the automated email confirming cover after the visit, and the wrong customer details on the paperwork.

However, overall, I consider the £130 compensation to be fair acknowledgment of the impact those issues likely had on Mr J. He hasn't said anything that would have led me to award significantly more, had British Gas not already made this compensation payment.

My final decision

I'm sorry to disappoint Mr J, but for the reasons explained above, I don't uphold this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 10 June 2022.

Vince Martin
Ombudsman