

The complaint

Mrs C complains British Gas Insurance Limited (BGI) has unfairly declined a claim she's made on her Homecare boiler insurance policy and provided her with poor customer service.

What happened

The background to this complaint is well known to the parties and has been documented by our Investigator previously, so I've provided a summary here.

- Mrs C has a Homecare insurance policy which provides cover for a number of risks including repairs to her boiler. Mrs C owns the risk address but doesn't live there.
- The boiler stopped working and Mrs C contacted BGI to attend and repair it. Several engineers attended and the second of these noticed an issue with the original installation of the boiler and he advised it needed to be turned off.
- BGI said the boiler hadn't been firmly fixed the wall when it was originally installed. Mrs C said BGI should have noticed this previously while it was servicing the boiler or at the commencement of the policy when it undertook an inspection but it said the problem only became apparent while parts were being replaced in an attempt to fix the problem.
- BGI declined the claim as it said the problem of the incorrect installation was a pre-existing one and therefore not covered by the policy. Mrs C complained and BGI maintained its position but did pay Mrs C £60 compensation because of an appointment it failed to attend.
- Our Investigator thought BGI had acted fairly in declining the claim but said it needed to pay more compensation as Mrs C had travelled a significant distance to be at the appointment that BGI failed to attend. She said it should increase the compensation by £100 and pay Mrs C's petrol and accommodation costs.
- BGI disagreed and asked an Ombudsman to make a 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.

While considering this complaint, I'll take into account the terms and conditions of the policy and the expectations these set out. But I will also overlay what I consider to be fair and reasonable in the specific circumstances of this particular complaint.

The problems with the boiler

BGI said there was a problem with the way the boiler had originally been fixed to the wall

and as it wasn't secure it had to be turned off. I've not seen anything to suggest there was an alternative cause. Indeed, the third party who eventually resolved the issue had to fix timber behind the boiler to ensure it was properly secured to the wall and this seems in keeping with BGI's diagnosis of the problem.

As the boiler was installed some time before the inception of the policy, I think it was fair for BGI to decline the claim under the pre-existing faults exclusion in the policy.

Mrs C says BGI should have noticed the problem sooner but it says it wasn't discovered before as it was only when parts were removed, that previously supported the boiler, the poor installation became apparent. I've seen nothing which persuades me BGI should have discovered the problem before from its previous inspections and, even if it had, that wouldn't change the outcome as the problem would have still pre-existed the policy inception.

In summary, I won't be asking BGI to do anymore on this aspect of the complaint.

The missed appointment

BGI says its policy terms say it's not responsible for any costs incurred as a result of delayed, rearranged or cancelled appointments. While I acknowledge this, I've still gone on to think about whether that's fair and reasonable in the circumstances of this complaint.

Mrs C says BGI rearranged appointments on a number of occasions and missed one completely. It's important to note here, Mrs C lives approximately 130 miles away from the risk address so when attendance at appointments is required, it needs some planning and forethought. I know BGI says she should arrange someone more local to attend appointments but this doesn't seem to be on the basis of any knowledge of Mrs C's personal circumstances which may mean this isn't possible.

Mrs C says BGI gives a broad appointment time from 8am to 6pm and, given the travel time from where she lives to the property, she had to stay over somewhere locally the night before the appointment. The next day, Mrs C wasn't informed the appointment wasn't happening, the engineer just didn't turn up which BGI says was because of a system error. I understand why this would have been frustrating for Mrs C and why she feels she incurred unnecessary costs in travelling and staying over.

I'll be keeping this all in mind when deciding what I think BGI should do to recognise the impact of its poor service on Mrs C.

Putting things right

BGI paid Mrs C £60 for the missed appointment but given everything I've said here I don't think it's done enough. I think, in the specific circumstances of this complaint, BGI should pay Mrs C's reasonable costs incurred in travelling to and staying over in advance of, the appointment when the engineer just didn't turn up.

From the file I can see Mrs C has quoted various costs. I have done my own approximate calculations for the cost of fuel for the journey based on petrol prices at the time, the mileage covered and a conservative estimate of petrol consumption (30 miles per gallon) and this comes to approximately £60 for the round trip.

I have had to make a number of assumptions in this calculation so I accept it won't be entirely accurate. If Mrs C says her fuel costs were higher than this and she is able to provide evidence to substantiate this, I would expect BGI to consider this. Otherwise I think it should pay her a minimum of £60 towards her fuel costs.

I also think BGI should pay Mrs C's reasonable accommodation cost for the night before the missed appointment subject to her providing evidence to substantiate the cost (such as an invoice or receipt of a hotel stay).

Given the distress and inconvenience caused to Mrs C through the claim, BGI should also pay Mrs C an additional £100.

My final decision

My final decision is that I partially uphold this complaint and direct British Gas Insurance Limited to:

- Reimburse the reasonable travel and accommodation costs relating to the missed appointment subject to the provision of supporting evidence of costs incurred in line with what I've detailed above.
- Pay Mrs C an additional £100 for the distress and inconvenience caused, on top of what it's offered/paid already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 16 June 2022.

Paul Phillips
Ombudsman