

## **The complaint**

Mrs C complains that British Gas Insurance Limited is responsible for poor service in connection with a home emergency insurance policy.

Mrs C is represented by Mr C.

Where I refer to British Gas, I refer to the above-named insurance company and I include employees and others insofar as I hold British Gas responsible for their acts or omissions.

## **What happened**

Mr and Mrs C have a home with a central heating boiler. From at least 2015, Mrs C had a British Gas Home Care policy to cover the boiler. We categorise that as a home emergency insurance policy, although it covers more than emergencies. It also covers an annual service visit.

For the policy year from June 2016, British Gas didn't do an annual service. Mrs C complained to British Gas. It refunded £65.00 and paid a further £80.00.

The policy was renewed for each year including the year from June 2021.

In January 2022, Mr C complained to British Gas that it hadn't done an annual service each year or looked after the boiler properly, so it had gone rusty.

By a final response dated mid-March 2022, British Gas turned down the complaint.

Mr C sent British Gas a reply to the final response. He brought the complaint to us without delay. As Mrs C is the policyholder, we have regarded her as the eligible complainant.

Our investigator didn't recommend that the complaint should be upheld. He didn't think that British Gas had acted unfairly or unreasonably. He didn't think that British Gas had acted in an unfair way to prevent rust forming on the boiler.

Mrs C disagreed with the investigator's opinion. She asked for an ombudsman to review the complaint. Mr C says, in summary, that:

- If British Gas had done an annual service earlier, then they would've resolved the leak on the annual service, and he wouldn't have had to pay a call-out charge/excess.
- He has sent us a document from a company that looked at the boiler in July 2022.

## **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 Financial Ombudsman Service is bound by the Financial Conduct Authority's dispute resolution rules. We can't usually investigate acts or omissions that have been the subject of a complaint and a final response which the consumer didn't refer to us within six months of that final response.

Under a yearly policy with automatic renewal, the policy year will start on the same day each year. A home boiler service can only take place with an appointment between the consumer and the business. The service is unlikely to be on the same day each year.

An "annual service" could mean a service in the year from 1 January, or from the renewal date, or from the date of the last service. So there is a need to define what "annual" means.

The British Gas policy terms have changed in some respects from time to time. In my view the changes took effect on Mrs C from the renewal date following each change. But the British Gas policy terms have, for many years, included terms along the following lines:

*"Definitions*

***annual service***

*- a check in each **period of agreement**...*

***period of agreement***

*- the day your **agreement** starts until your **agreement** runs out..."*

*"Annual service...*

*Your **annual service** may be more, or less, than 12 months after your last service visit.*

*In periods of local or national high demand for our services (such as cold weather), we prioritise breakdowns and may need to rearrange your **annual service**...*

*One of our engineers will visit your **home** to complete your **annual service**. This will include testing the gases your appliance or boiler produces. If the visit shows that it's necessary to take your appliance or boiler apart to adjust or clean it, we'll do so.*

*During the visit, our engineer will fill in a checklist that shows you exactly what we've looked at. If we find a problem or fault that needs to be fixed, we'll tell you about it."*

***"Reasonable timescales***

*We'll carry out any **repairs** or visits you're entitled to within a reasonable time, unless something beyond our control makes that impossible – in which case we'll let you know as soon as possible and give you another time when we can visit."*

***"Cancellation charges***

*If you or we cancel your **agreement** or any **products** and we've already completed work for you since you bought or renewed them, you may have to pay cancellation charges.*

*The table on the right side of this page shows you the amount you may have to pay..  
Annual service £65.00"*

***"Any other loss or damage***

*We're not responsible for any loss of or damage to, or cleaning of property, furniture or fixtures as a result of your boiler, appliance or system breaking or failing unless we caused it. For example damage caused by water leaks...."*

Since about June 2020, the British Gas policy term about reasonable timescales has also included a term as follows:

*“During epidemics or pandemics, we will adhere to Government guidelines concerning restriction of non-essential travel and may have to reschedule your repair or visit until such time as the restrictions have been eased.”*

British Gas dealt with a complaint in relation to the service missed in the policy year from June 2016 to June 2017. As it paid compensation, I find it likely that it sent a final response in 2017 or 2018. Keeping in mind the six-month time limit, I will look at the policy years starting from June 2017.

Each time the policy renewed, British Gas sent Mrs C a renewal letter that included an Insurance Product Information Document that made clear (albeit by asterisks and a footnote) that the annual services may be more than 12 months apart.

From its records, I find that British Gas did annual services as follows:

November 2017  
October 2018  
July 2019  
November 2020  
February 2022

British Gas didn't do a service in the calendar year 2021 and I can see why Mr C thought British Gas had missed a service. But for the policy year from June 2020, there was the service in November 2020. And for the policy year from June 2021, there was the service in February 2022. Overall there were five annual services in the five policy years from June 2017.

From the final response, I think that Mr C had complained to British Gas in mid-January 2022. And from the British Gas records I've seen a note of a visit in late January 2022 as follows:

*“rewashed hw outlet pipe leak resolved and tried dealing with complaint with office”*

From what Mr C has said, the British Gas policy required him to pay an excess or fixed fee for that visit. After the final response in March 2022, Mr C replied to British Gas asking why it had made a charge for a visit he believed wouldn't have been needed if British Gas had done the annual service earlier than February 2022.

From the note of the visit in January 2022, I find it likely that he had complained to British Gas not only about a missed service but also about the charge.

However, I haven't found that British Gas did anything wrong by not doing the annual service (for the policy year from June 2021) until February 2022. I don't hold British Gas responsible for Mrs C's need to ask British Gas to make a repair visit in January 2022.

From what Mr C has said, Mrs C didn't renew the British Gas policy from June 2022.

From the document of the company that visited in July 2022, I note that the automatic air vent had been leaking and needed replacement.

In my view, Mr C has fallen well short of showing that there was a leak that British Gas should've identified during an earlier visit. In any event, Mr C hasn't shown that British Gas caused a leak or damage to the boiler.

So (keeping in mind the policy terms) I don't find it fair and reasonable to direct British Gas to pay compensation or do any more in response to this complaint.

### **My final decision**

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct British Gas Insurance Limited to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 31 August 2022.

Christopher Gilbert

**Ombudsman**