

The complaint

Mrs K complains about British Gas Insurance Limited's handling of her Home Warranty policy.

All references to British Gas also include its appointed agents.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead I'll focus on giving my reasons for my 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.

Having done so, I agree with the conclusions reached by the investigator for these reasons:

- The terms and conditions of the policy say that British Gas will usually carry out a first service of the boiler within 42 days of the policy commencing.
- The policy was taken out by Mrs K in December 2020. But the first service was not carried out until November 2021. During this visit, British Gas said it identified a fault with the boiler and it wasn't suitable for cover.
- British Gas said scheduled visits were not fulfilled due to Covid 19 restrictions and the impact of industrial action. I can also see in some instances British Gas were not able to gain access to the property from Mrs K's tenants.
- However, I've reviewed engineer's notes from British Gas' visit to the property in November 2021. The notes indicate there was an issue with water ingress but provides no detail of how this occurred, what issues it's presented or how long it had been going on for.
- So, I'm not persuaded this explains why the boiler was unsuitable for cover. And considering the length of time between policy inception and the first visit taking place, I'm not persuaded based on what I've seen, the issues have been shown to predate the inception of the policy.
- Given I'm satisfied British Gas hasn't demonstrated the boiler would have otherwise be unsuitable for cover, I think it would be reasonable for it now to take action to put right the issues with the boiler the engineer identified. As it would have done if cover had been in place.
- British Gas have offered Mrs K £200 compensation in recognition of the service it provided. I think this is reasonable in the circumstances, as it fairly reflects the inconvenience she's been caused.

So for these reasons, I uphold this complaint.

Putting things right

British Gas have already refunded the premiums Mrs K has paid. So, to put things right it can ask for Mrs K to repay the premiums and proceed to provide repairs to the boiler. Or, if it decides to provide Mrs K with a cash settlement, it should do so at the cost to Mrs K on production of sufficient evidence, less the cost of the premiums already returned and, if applicable, any associated excess fees.

My final decision

My final decision is that I uphold Mrs K's complaint.

To put things right, I direct British Gas Insurance Limited to do as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 17 November 2022.

Michael Baronti
Ombudsman