

The complaint

Mr A has complained about how British Gas Insurance Limited (British Gas) dealt with a claim under his home emergency policy.

What happened

Mr A contacted British Gas to deal with an issue with a radiator. British Gas sent an engineer. Following this, Mr A complained to British Gas because of the attitude of the engineer. He also said British Gas had told him he could have a radiator replaced free of charge, but now wasn't willing to do this.

When British Gas replied, it said it had provided correct advice, but the engineer's comments would be dealt with through in-house processes. It also explained its policy around power flushing systems and said it hadn't offered to replace a radiator free of charge. However, it offered £100 compensation for the delays in resolving the complaint and the issues with the engineer. British Gas also said it had told Mr A that if he purchased a new radiator, it would install it free of charge. But, Mr A had rejected this offer and said it would be better if British Gas provided the radiator. British Gas confirmed this wasn't covered by the policy.

So, Mr A complained to this service. Our investigator didn't uphold the complaint. He said British Gas had appropriately dealt with the complaint about the engineer's attitude. He said British Gas had also appropriately investigated whether Mr A had been told he had been offered a free radiator. British Gas had also confirmed it did carry out power flushing to systems like Mr A's and that if it wasn't successful it would take steps to have the system operating efficiently. He said British Gas had acted in line with the terms and conditions of the policy.

As Mr A didn't agree, the complaint was referred to me.

I issued my provisional decision on 21 December 2022. In my provisional decision, I explained the reasons why I was planning to uphold the complaint in part. I said:

Mr A complained about the attitude of an engineer and comments he made. British Gas told Mr A it would address the issues through internal processes. In the circumstances, I think that was reasonable.

Mr A was also concerned by the advice he was given about a powerflush, as he said the type of system he had couldn't be powerflushed. When British Gas replied to Mr A's complaint, it said it did powerflush systems like his but it wasn't always successful. British Gas also told Mr A that until he had a powerflush carried out, none of the water parts in his central heating system would be covered under the policy. British Gas has since confirmed to this service that it wouldn't carry out a powerflush on the type of system Mr A has. So, I currently intend to require British Gas to update its records to reflect this and to ensure there aren't any restrictions on Mr A's cover that are the result of him not agreeing to a powerflush being carried out.

Mr A also said British Gas agreed to supply a larger radiator free of charge. In particular, Mr A said someone at British Gas had agreed to do this in an email. I've looked at the emails. Mr A sent an email saying an engineer had said the best course of action was for a radiator to be replaced. When British Gas replied, it said that as it wasn't an emergency it would need to be rescheduled at a later date when there was more availability. Neither Mr A or British Gas referred to the radiator being provided for free. British Gas has said a larger radiator would be an upgrade. Looking at the policy terms and conditions, these said upgrades aren't covered by the policy. So, I haven't seen evidence that persuades me British Gas said it would provide a new radiator for free or that British Gas was required to do so under the policy. British Gas did offer to fit the radiator for free, which I think was fair in the circumstances, although Mr A seemed to reject this offer during the complaints process.

I've also thought about compensation. British Gas offered Mr A £100 compensation because of the issues it identified with how his claim and complaint were dealt with. However, this didn't take into account the issue with the powerflush. Based on what British Gas has now told this service, the engineer did misadvise Mr A. When Mr A complained about this, British Gas told him he had been given the correct advice. Mr A then sent further comments and British Gas replied and maintained its position that the advice to have a powerflush carried out was correct. As this wasn't the case, I think this will have caused additional concern and inconvenience to Mr A. So, I currently intend to say that British Gas should pay Mr A an additional £50 compensation. So, £150 in total.

Having thought about all of the above, I currently intend to uphold this complaint in part and to require British Gas to ensure its records correctly reflect that Mr A's property doesn't require a powerflush and that the policy cover isn't restricted because of this, as well as paying an additional £50 compensation.

I asked both parties to send me any more information or evidence they wanted me to look at by 18 January 2023. Both parties replied before that date.

Mr A said British Gas has previously replaced another radiator that wasn't functioning correctly, as well as a central heating pump and a circuit board. He said the engineer advised him the radiator wasn't performing as it should. As British Gas had precedence for replacing radiators under his policy, he said it should replace the radiator.

Mr A also said that while the complaint was with this service, an engineer had arrived at his home unannounced and advised Mr A that he would have replaced the radiator under the terms of the policy. Mr A also said he thought the amount of compensation was low and that £500 would be more appropriate due to the time taken and the stress of dealing with the matter and the impact on family members of a radiator not always functioning.

British Gas replied and didn't agree with my decision. It said there was sludge in the system and it had been established that due to the size of the pipework powerflushing would be unlikely to be successful. Removing sludge wasn't covered by the policy and Mr A would need to pay for this separately. It would therefore be unable to cover any sludge related issues until the sludge had been removed. It said Mr A would need to explore options to remove the sludge with an appropriate provider. It said it wouldn't mark the Mr A's account as him not being able to have a powerflush completed, as this or other options might be possible with other companies. It said that just because British Gas wouldn't carry out a powerflush, it didn't mean other companies wouldn't do so.

British Gas also said it was correct to advise a powerflush was needed as there is sludge in the system and this needs to be removed before it can consider sludge related faults under the policy. It said it had given correct advice. So, it said the additional £50 compensation wasn't appropriate.

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've decided to uphold this complaint in part and for the reasons given in my provisional decision. As part of that I've considered the comments provided by both parties.

In terms of the radiator, the issue was whether British Gas should remove a radiator and replace it with a larger radiator free of charge. I remain of the view this would be an upgrade, which isn't covered by the policy. I'm aware Mr A has described instances where parts of his central heating system were replaced and that an engineer recently told him he would have replaced the radiator for free. However, that hasn't persuaded me that British Gas should upgrade Mr A's radiator without charge.

In terms of the powerflush, I will explain in more detail what happened. When British Gas replied to Mr A's complaint it said:

"In regards to power-flushing microbore systems; we can and do carry out this activity however, it is not always 100% successful due to the reduced diameter of the pipework, if this was not successful we would carry out whatever necessary work is required to get the system operating efficiently. This may be cutting out sections of restricted pipework or in extreme cases installing new pipework."

It is clear in the Terms and Conditions that if we identify a problem such as a requirement for power flushing and the customer decides not to take us up on this advice then we will not cover the effected parts. I would expect if we have advised and quoted for a powerflush then we would have taken a water sample which would have shown this system would benefit from it."

While the complaint was with this service, British Gas told this service:

"Mr A's system has microbore pipework. This pipe work is narrow which can mean that a powerflush won't be successful. We wouldn't carry out a powerflush on microbore pipe work."

So, British Gas told Mr A it could powerflush his system and if this didn't work it could look at other options and outlined what those might be. British Gas then told this service, it wouldn't powerflush the type of system Mr A has. I remain of the view that British Gas misadvised Mr A when it replied to his complaint.

In response to my provisional decision, British Gas said that where it diagnosed a sludge problem, it can impose a restriction until that problem is dealt with. But, that isn't what has been in dispute or what I commented on in my provisional decision. What was in dispute was what British Gas had said was the solution to that problem. When it replied to the complaint, British Gas said there was a *"requirement for powerflushing"*. Mr A told British Gas and this service that his system shouldn't be powerflushed. British Gas later told this service it wouldn't powerflush a microbore system. What I'm requiring British Gas to do is to note that it can't powerflush the system and not to impose a restriction due to it not being powerflushed. I didn't give a view on its diagnosis of sludge in the system and what it can do as a result of its diagnosis, as that wasn't what I was looking at. Specifically, I was considering whether it was fair to say there was a *"requirement for powerflushing"*.

I've also thought about compensation. British Gas said it didn't think it should pay anything further as it hadn't misadvised Mr A. I've already explained why I remain of the view that it did misadvise Mr A. Mr A has said he thinks he should be paid more compensation. I've thought about this further, including the reasons Mr A provided, and each of the issues that formed part of this complaint. Having done so, I remain of the view that £150 is an appropriate level of compensation.

Putting things right

British Gas should ensure Mr A's policy cover correctly reflects that it cannot powerflush microbore systems and that cover shouldn't be restricted because it hasn't been powerflushed. It should also pay a total of £150 compensation.

My final decision

For the reasons I've given above and in my provisional decision, my final decision is that this complaint is upheld in part. I require British Gas Insurance Limited to:

- Ensure that Mr A's policy cover correctly reflects that the system cannot be powerflushed and that his cover shouldn't be restricted because this hasn't been carried out.
- Pay a total of £150 compensation, which includes the £100 it previously offered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 21 February 2023.

Louise O'Sullivan
Ombudsman