

The complaint

Mrs S has complained about the service provided by British Gas Insurance Limited ('British Gas') under her home care policy.

What happened

Mrs S experienced a boiler break-down in December 2022 and called out British Gas to fix the boiler under her home care policy. British Gas informed Mrs S that it was unable to send anyone out immediately. Mrs S had young children in the home and needed to find an urgent solution as she was without heating and hot water. British Gas made an appointment for its engineer to attend Mrs S's home four days later, however its engineer didn't attend.

Mrs S was to be left without hot water and heating for eight days and, in the meantime, she called her own engineer. He provided a repair estimate of £700, however Mrs S decided to ask him to install a new boiler instead. Mrs S didn't consider that the compensation offered by British Gas adequately recognised the distress and inconvenience suffered due to its poor service. However British Gas considered that it had done as much as it could to assist Mrs S. It had offered £150 in compensation in recognition of its admitted service failures.

Mrs S remained unhappy with the outcome of her complaint and thought the compensation was too low, so she referred her complaint to this service. Our investigator upheld Mrs S's complaint. It was his view that British Gas should pay the call-out charge Mrs S had paid to her engineer. He also thought it should pay what it would have cost to repair the boiler had it not been replaced. In this context however, he considered that the original offer of compensation for the service issues was fair and reasonable.

British Gas didn't agree. The matter has therefore been referred to me to make a final decision in my role as Ombudsman.

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 key issue for me to determine is whether British Gas' service and response to Mrs S's complaint were fair and reasonable. I don't consider that they were fair and reasonable in all respects. I'll explain why.

Mrs S provided background information. She said she'd called British Gas on a Monday in December 2022 as her boiler had broken down. It was snowing and the temperature later reached -6c. British Gas informed Mrs S that it couldn't attend until Thursday that week. She understood the difficulties '*as the weather caused a lot of breakdowns so we waited.*' A British Gas representative called on Wednesday and guaranteed that an engineer would attend on Thursday. On Thursday, she received a text message from British Gas, and she tried telephoning. She was kept on hold for 2 hours and 20 minutes before she gave up. Mrs S's husband had taken a day off work to assist with arrangements.

British Gas telephoned later that day to say that its engineer couldn't attend and couldn't offer another appointment until January 2023. Mrs S said she'd explained that her daughter was ill and that the family was freezing cold. Mrs S only had electric heaters and an immersion heater. Mrs S also explained that the family was using hot water bottles at night to try to keep warm. Mrs S said she was on the phone most of the day with the British Gas and it eventually agreed to come out the following Monday, eight days after the incident. By Saturday however, the family was so cold, that Mrs S decided to call out an engineer. Mrs S said she'd lost faith in British Gas and was worried it would let the family down again. Also, as British Gas hadn't assessed the problem and had no idea what parts (if any) were needed, Mrs S felt there was no guarantee it would be able to fix the problem.

Mrs S's engineer said that the issue was to do with the fan and quoted £700 for the repair and charged a £120 call-out fee. He advised that the boiler *'was very old and as the fan had only been changed in September this may not solve the problem and would not advise the expenditure when we had planned to get a new boiler on a British Gas monthly plan!'* Mrs S explained that the dilemma was whether to wait for British Gas, as it *'may not turn up, may not have the part and there is no way they will fit a new boiler before Christmas or shell out the money to gain some heat!'* Since the incident, Mrs S thought that British Gas had *'sent us around the houses to gain any form of compensation for not upholding the service we paid for!'* She concluded that if the fan was the problem, it would have been covered by the service plan and she wouldn't have had to spend on an engineer, wouldn't have used so much electricity and wouldn't have had to borrow money around Christmas to install a boiler. Mrs S said that she remained incredibly upset about this situation and how it had been handled. She referred to *'Terrible empathy and customer services.'*

British Gas acknowledged its service errors in cancelling an appointment and not offering another within a reasonable timescale. It noted that the electricity use would have been high when the boiler wasn't working. British Gas explained that it had cancelled the first appointment: *'due to the time of year and our engineer availability we could not attend and called her to reschedule till 5 January 2023.'* It said that it had offered to provide Mrs S with £60 to cover the cost of heaters, but she'd refused. It didn't consider it was liable for costs of installation of a new boiler. It said that it had provided £150 compensation to recognise *'the overall inconvenience and stress this matter caused,'* and believed this to be a fair outcome.

As the boiler wasn't repaired by Mrs S's engineer, British Gas didn't think it should have to pay out for this. It accepted that if Mrs S had arranged for the engineer to repair the system, British Gas would then have reimbursed this sum if the work was covered by the policy. It said: *'looking at the invoice, it would have been.'* British Gas thought it was Mrs S's choice to have the boiler replaced and it posed the question why Mrs S would pay out over £2,000 for a new boiler, when it could have been repaired for £700, with British Gas covering the cost.

I'll provide the reasoning for my final decision. I consider that Mrs S has fully explained the dilemma which she faced. British Gas had failed to keep its appointment despite promises. Mrs S had also been kept on the phone for an unreasonable length of time in trying to discuss the issue with British Gas. After stating that it couldn't provide another appointment until the new year, it did then eventually offer a further appointment in December 2022. I appreciate that it had been a busy time of year for British Gas and that it had agreed to bring an appointment forward from January 2023 to eight days following Mrs S reporting the incident. However, I consider that this timescale was still unfair and unreasonable. The failure to keep an appointment where young children were affected was unreasonable. In this context, it's unsurprising that Mrs S lost confidence in British Gas's ability to help within a reasonable timescale and before Christmas.

I also consider that it was reasonable for Mrs S to have decided to take the matter into her own hands and instruct an engineer the weekend after the incident. Mrs S also candidly

explained the dilemma of whether to further repair something which had already been repaired in September 2022. It was an old boiler which she was hoping to replace with British Gas the following year in any event, so she decided to buy a new one instead. I consider this to have been a reasonable response. I note that British Gas likewise candidly confirmed that it would have covered the repairs had it been given the opportunity to do so.

I've looked at the engineer's quote for repairs, as well as the call-out charge, and have no reason to doubt the veracity of these documents. British Gas hasn't challenged the level of repair costs. In summary, I consider that it was reasonable for Mrs S to have called out her own engineer and consider that it would be fair and reasonable for British Gas to pay the call-out charge of £120.

I can also understand why Mrs S declined the £60 offered by British Gas to buy a fan-heater as she already had a small electric heater and considered them expensive to run. I also note that British Gas offered £150; *'in recognition of the issues raised'*. I consider however that its failure to attend an appointment as promised during a particularly cold period of weather was unreasonable. Its statement that it wouldn't be able to visit until January 2023 will have caused further distress. The fact that Mrs S and her family would have been then left without heating or hot water for eight days was also a serious service failure. This is particularly as young children were in the home. It was also unfair and unreasonable that Mrs S had to complain before another appointment was arranged for eight days following the boiler failure.

I don't consider Mrs S's logical decision to replace her boiler earlier than necessary was unreasonable. This was due to British Gas' poor response. It confirmed that if repairs had been carried out, British Gas would have paid £700 as well as the call-out fee of £120 to resolve the issue. I note that the investigator considered that the £700 would act as a contribution towards a new boiler, and in this context didn't require British Gas to increase its offer of £150 compensation. I agree with our investigator's conclusions, whilst also noting that Mrs S may have been able to find a cheaper replacement boiler with the benefit of time and planning but was forced to make an urgent decision due to the service failures. She also had to borrow money prior to Christmas to buy a new boiler and had extra energy costs.

In conclusion, I'm satisfied that the fair and reasonable overall outcome to this matter is for British Gas to pay the call-out fee of £120 and the repair fee which it would otherwise have paid of £700, together with the compensation of £150 already offered by British Gas. In reaching this overall figure, I'm mindful of the service's guidance which recognises that compensation at this level would have been appropriate where the impact of a business's failures caused considerable distress, upset and worry. It would also have been appropriate where the failure caused significant inconvenience and disruption, needing extra effort to sort. I consider this to be the case here. Whilst the impact didn't last for many weeks, I'm satisfied that the failures had a serious short-term impact for Mrs S and her family.

My final decision

For the reasons given above, I uphold Mrs S's complaint against British Gas Insurance Limited and I require it to: -

- Pay Mrs S the sum of £700 towards the cost of installation of her new boiler.
- Pay £120, being the call-out charge for Mrs S's engineer.
- Pay compensation of £150 (unless this has already been paid to Mrs S) for the distress and inconvenience caused by British Gas' service failures.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 16 May 2023.

Claire Jones
Ombudsman