

## **The complaint**

Mr P complains about how British Gas Insurance Limited dealt with his boiler breakdown. He's unhappy that he was told the repair needed wasn't covered by his policy, that his gas supply was turned off and that he was left without heating. He wants British Gas to cover the cost of the new boiler he had installed.

## **What happened**

Mr P has a representative, his son, who's been dealing with this claim on his behalf.

Mr P has a HomeCare Two policy with British Gas. This covers his boiler, controls and central heating including an annual service. In October 2021 Mr P reported a fault with his boiler.

An engineer attended Mr P's property on 5, 6 and 8 October 2021. The engineer found a gas leak which was traced to pipework underneath the floor coming from badly corroded pipes. Mr P was advised that the pipes needed a gas re-run. His system was classed as immediately dangerous and the gas supply was cut off. He was told that the gas re-run wasn't covered under his policy.

Mr P's representative wasn't happy with this and complained to British Gas. They called him to discuss the complaint and agreed to do the re-run of the gas pipes to Mr P's back boiler free of charge. Mr P's representative advised them that he was looking into replacing the boiler.

British Gas called Mr P's representative again on 26 October 2021 and he advised them that he was replacing the boiler. He was offered £500 as a goodwill gesture for the inconvenience Mr P suffered and the poor service he'd received. Mr P's representative was unhappy with this as he didn't think the offer was enough and he complained to our service.

Mr P's representative has told us that at the time the gas was cut off Mr P and his wife were elderly and vulnerable and required a working heating system in their house. Mr P's wife had to extend her stay in respite care, as she couldn't go home to a house without heating. British Gas did provide heaters but this wasn't until 22 October 2021, so they had no heating for over two weeks.

He's also told us that he was given conflicting information about whether the work needed was covered by Mr P's policy. The engineer's said it wasn't but when he spoke to British Gas they said it was. And the engineer's missed appointments that had been booked, calling him to say the work wasn't covered instead of attending.

Mr P's representative arranged for a new boiler to be fitted at his parent's home on 24 October 2021 and wants British Gas to cover the cost of this.

Our investigator considered the case but didn't uphold the complaint. He said Mr P was given conflicting information about whether the gas re-run British Gas said was required was covered by his policy. Having considered Mr P's policy he agreed that the gas re-run wasn't

covered. He accepted that Mr P and his wife had suffered significant inconvenience as a result of how the claim had been handled. But he felt the £500 and the free gas re-run British Gas had offered recognised this. And he didn't think they needed to cover the cost of Mr P's new boiler.

Mr P's representative didn't accept our investigator's opinion. He said he didn't expect British Gas to cover the full cost of the replacement boiler, just the cost of the replacement gas supply pipe, as he said this work had been approved, but the engineers didn't want to do it. And he thinks that as they offered to do the gas re-run, they should at least cover some of the cost given the delays, poor customer service and cancelled appointments.

Our investigator considered what Mr P's representative had said and responded to him saying he was satisfied that the gas re-run wasn't covered, as Mr P's policy excluded cover for work on pipes located under concrete floors. And the gas leak had been traced to an underfloor pipe.

Since our investigator provided his opinion we've asked Mr P's representative to provide further information about the impact of how British Gas handled Mr P's claim.

He's told us that his mother, who's sadly since died, was very ill in October 2021 and having no heating caused a lot of distress and Mr P had to pay additional care home fees, at a time when he and his wife were vulnerable and struggling financially and emotionally. He told us that British Gas were fully aware of this.

He's also said that he was definitely told by British Gas that the gas re-run was covered by Mr P's policy.

And he's told us that he didn't decline the gas re-run. It was taking too long and he was told it would be installed as a 'botch', the easiest route to the boiler for the gas supply, up over the ceiling, through door frames and the side of the chimney breast, which wasn't acceptable for a private dwelling. He believes that British Gas may have agreed at some point to cover the cost of him getting someone to do the gas re-run, but they refused to cover this when he had the work done.

British Gas have told us that Mr P was offered a complete gas re-run to the boiler as a gesture of goodwill. But they didn't offer to contribute towards the cost of this work being completed by a third party. They also told us that they accept they were delays with trying to arrange the gas re-run and in delivering heaters to Mr P's home. But they say this was due to difficulties contacting Mr P's son.

In response to this Mr P's son has said he has no idea why they would have had any difficulty contacting him, as he uses his mobile phone for work, and has it with him at all times.

Mr P's representative has provided copies of the invoices for the gas re-run and new boiler he arranged to have installed for his father. These totalled £4,554.00 inclusive of VAT. He was charged £2,154 for the gas re-run and £2,400 for the new boiler.

We asked British Gas for their comments on these figures and whether a new boiler would have been required if they'd arranged the gas re-run.

They've said that a new boiler wouldn't have been needed but would have been recommended due to the age and efficiency of the old one. They've described the amount charged for the gas re-run as 'extortionate'. They say the re-run required was no more than 10m, and they'd be charged around £500 for this. So they're prepared to offer a contribution

of £500 towards the cost of the gas re-run.

We've asked Mr P's representative whether Mr P wishes to accept the £500 British Gas have offered towards the cost of the gas re-run. He's told us he believes the gas re-run should have been covered under Mr P's policy and the £500 offered is 'insulting' given all his parents went through.

The case has now come to me for 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.

Mr P's policy contains a general exclusion that 'faulty pipes which are buried under concrete floors' aren't covered. British Gas have told us that if they'd arranged the gas re-run a new boiler wouldn't have been required, although they'd have recommended one, due to the age of the existing boiler.

In those circumstances the cost a replacement boiler wouldn't be covered under Mr P's policy. The policy terms and conditions state the following is covered:

- A replacement for your boiler if we can't repair it; and
- It's less than seven years old; or
- It's between seven and ten years old, we installed it and it's been continuously covered by us under either a warranty or HomeCare product.

These conditions don't apply to Mr P's boiler.

I can understand how difficult it must have been for Mr P to have his gas disconnected and to be without heating. But his system was unsafe due to badly corroded pipes, so British Gas had no choice but to disconnect the gas supply.

But I do think British Gas could have handled things better, especially as Mr P and his wife were elderly and not in good health. They've acknowledged that they provided poor service and offered Mr P £500 for the impact and inconvenience this caused.

I accept what Mr P's representative has told us about there being a delay in heaters being delivered and the impact this had. British Gas have said they had difficulties contacting Mr P's representative to arrange delivery, but they haven't been able to provide any details of the attempts they made to contact him. So I accept there was an unreasonable delay.

British Gas offered to arrange a gas re-run, even though this wasn't covered by Mr P's policy. But when they spoke to his representative, he told them he was arranging to have a new boiler fitted. The representative thinks British Gas may have offered to cover the cost of someone else arranged the gas re-run. British Gas have told us that this was never offered, and as the representative isn't sure, I accept what they've said about this.

Mr P's representative has said he arranged for the new boiler to be fitted as British Gas were taking too long to arrange the gas re-run. While I appreciate that he wanted to ensure there was a working heating system in his parent's home, British Gas didn't have the opportunity to arrange this, so I can't say how long this would have taken.

I've considered the £500 British Gas have offered for the poor service and the impact this had on Mr P and I think this is reasonable given all the circumstances. They've now also said that in addition they're prepared to offer a further £500 contribution towards the cost of the gas re-run. This figure is based on what they say it would have cost them to do this work. And as the gas re-run isn't covered by Mr P's policy I think this offer is reasonable, as the full cost would have been covered had British Gas done the work themselves.

And I can't ask them to cover or contribute to the cost of the new boiler, as this isn't covered by Mr P's policy.

### **My final decision**

For the reasons set up above my final decision is that I uphold Mr P's complaint about British Gas Insurance Limited.

To put things right I require them to pay Mr P the £500 they've offered for the distress and inconvenience their handling of his claim has caused him, if this sum has not already been paid. And to pay a further £500 as a contribution towards the cost of the gas re-run that was required at his property.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 5 September 2023.

Patricia O'Leary  
**Ombudsman**