

The complaint

Mr M complains about British Gas Insurance Limited's (BG) poor service, under his home emergency policy.

What happened

Mr M held a BG boiler and heating policy. In March 2022, BG completed repairs and noted that there was sludge in the system. In September 2022, an annual service was carried out and again it was noted that there was sludge present. BG said that it advised Mr M to replace his boiler due to the efficiency and reduced parts available. Mr M accepted to receive a quote for this. But nothing further happened.

Mr M contacted BG again in November 2022, where it was confirmed that the system would require a power flush, due to the sludge. BG then organised for an engineer to attend, but two appointments were booked and cancelled at short notice by BG. Eventually an engineer did attend, and a power flush was completed. In addition, a pump was also replaced. Mr M said that there have been no further issues with his heating system.

Mr M said that he was upset due to the poor service that he experienced and that a family member who had health issues, was affected as a result of the errors. He also complained that it was BG's fault that the boiler broke down, as he had repeatedly told the BG engineer's that the boiler required a power flush, to be told by BG that he didn't require a power flush.

In its final response, BG disputed that it had told Mr M that he didn't require a power flush, as it had advised him to change the boiler and usually at the same time that the boiler would be changed, a power flush would be recommended. It accepted that Mr M had experienced poor service, due to the failed appointments and the delay. It offered a total compensation of £150, for the trouble and upset caused. But as Mr M was given his referral rights, he referred a complaint to our service.

One of our investigators considered the complaint and thought it should be upheld. His view was that BG should've carried out a power flush much sooner and not delay it, as Mr M had declined a boiler. He said that the BG engineers didn't appear to recommend a power flush be carried out until it was finally accepted. And due to the distress that Mr M experienced as a result of his family member being affected, the poor heating and increased usage. He recommended that BG increase the compensation to £300.

BG accepted the view, Mr M did not. Essentially, he felt that the recommended compensation of £300 wasn't enough and that he should be entitled to more. So, he asked for a decision from an 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.

Having done so, I will uphold this complaint, but for much the same reasons as our investigator, which I understand might be a disappointment for Mr M. But I will explain why I think this outcome is fair.

Mr M provided several comments, which I've read and considered. But based on the evidence, I think that the main issue of this complaint is the amount of compensation that BG has accepted to pay.

Mr M is considered to be the eligible complainant. This is because he is the policyholder. So, when we consider compensation, this is based on the impact that directly affected him.

I'm fully aware that a close family member had health issues that Mr M said were affected by the poor service that BG provided, but here, I'll be looking at the direct effect of the poor service on Mr M, rather than that of his family member.

I understand that Mr M was concerned by the effect of having no heating facilities regarding his family member, which I've taken into account.

Also, it's clear to me that the level of service that BG provided, fell well below its usual acceptable standard (which it accepted). There were avoidable delays, failed appointments as well as Mr M having to chase BG on several occasions for updates. All of which, I find unacceptable.

But, when considering the amount of compensation, we are guided by our published guidelines. And I find that Mr M did suffer from repeated errors, that required a reasonable effort to sort out. And I'm satisfied that this caused him some distress and inconvenience. Consequently, I think that the £300 offered is a fair and reasonable amount, that adequately compensates for the errors that BG made. And I won't be asking BG to increase the amount of compensation. Whilst I understand that this isn't the outcome that Mr M would like, I do think that the compensation recommended is fair and reasonable, in the circumstances of this complaint.

Putting things right

To put matters right, I think that BG ought to pay compensation as indicated below.

My final decision

For the reasons given, I uphold this complaint.

British Gas Insurance Limited ought to pay Mr M £300 compensation for the trouble and upset caused.

British Gas Insurance Limited should pay the above amount within 28 days of the date we tell it Mr M has accepted my final decision. If it doesn't, British Gas Insurance Limited should pay 8% simple interest on the amount from the date of my final decision to the date of payment.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 28 July 2023.

Ayisha Savage
Ombudsman