

## **The complaint**

Mr A complains about British Gas Insurance Limited's handling of a claim he made under his home emergency insurance policy.

## **What happened**

In mid-2022 Mr A raised a complaint with British Gas about a delay in fixing an issue with his home electrics. He said he'd been waiting for a cable to be fitted and hadn't been updated.

Following this, British Gas arranged for some work to be carried out. British Gas said this was upgrade work and invoiced Mr A over £1,000. Mr A disputed owing British Gas money. He said the work that was carried out was for repair and maintenance that was covered under his policy.

British Gas apologised for postponing and cancelling appointments in early 2021. It said it had visited Mr A nine times to fix electrical issues and had quoted for rewiring his kitchen. The work had been completed and the invoice for this remained outstanding. It said it was sorry there was a delay in contacting Mr A to arrange for work to be completed after the engineer quoted for this in July 2021. It offered Mr A £150 to compensate him for poor service.

Mr A remained unhappy and asked our service to consider his complaint. Our investigator didn't think our service could look into Mr A's concerns about the kitchen rewire as this wasn't covered by his policy. He thought British Gas's offer of £150 was enough to compensate Mr A for the inconvenience he was caused by engineer appointments made under his home emergency policy being rearranged and cancelled.

Mr A disagreed with our investigator's outcome. He said a complete rewiring wasn't carried out on his kitchen. He said he didn't sign any agreement to this effect and British Gas hadn't been able to provide evidence to show he had. So, his complaint has been passed to me to decide.

## **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 reached broadly the same conclusions as our investigator. I'll explain why.

This service doesn't have the power to consider every complaint referred to it. The regulator – the Financial Conduct Authority (FCA) – has set out what complaints this service can and can't look at. These are set out in the Dispute Resolution Rules (DISP rules) which can be found online in the FCA's handbook.

DISP 2.3.1 says:

*“The Ombudsman can consider a complaint under the Compulsory Jurisdiction if it relates to an act or omission by a firm in carrying out one or more of the following activities:*

*(1) regulated activities*

*(...)*

*or any ancillary activities, including advice, carried on by the firm in connection with them.”*

Here the relevant regulated activity is “*carrying out contracts of insurance*”. So, I can consider the matters Mr A’s complained about if they relate to this activity or are ancillary to it.

### Upgrade work

British Gas says the work that was completed in August 2022 was upgrade work that wasn’t covered under the terms of the policy. Mr A thinks it should be covered. He says no upgrade work was carried out, only repairs and maintenance.

The policy terms and conditions say: “*All repairs to the mains electrical system and wiring on your property*” are covered, as is “*a replacement of parts that we can’t repair*”.

In the “*general exclusions*” section of the policy it says: “*Your product only includes repairing or replacing your boiler, appliance or system when it stops working properly – it doesn’t include any improvements or upgrades...*”

“*Upgrades*” is defined as “*improvements that make your boiler, appliance or system safer, or more efficient*”.

The engineer’s notes from a visit in July 2021 say: “*Customer wants faulty socket reconnected. Poorly wired kitchen will need rewire to comply*”. A few days later, another engineer has noted: “*substandard wiring as per previous engineer / short circuit cables...*”

The engineer’s notes from the visit in early August 2022 says: “*Quote produced for kitchen rewire*”. And a few weeks later there’s a note which says: “*2 new circuit wired in for kitchen, all sockets working now*”.

British Gas has also provided a screenshot of the job Mr A was billed for which says: “*new ring mains for kitchen wired from consumer unit to sockets in kitchen*”.

Based on what I’ve seen, I’m not persuaded that the work British Gas carried out in August 2022 was covered under Mr A’s insurance policy. British Gas appears to have wired two new circuits from Mr A’s consumer unit to his kitchen. The notes suggest this was necessary because the existing wiring was substandard. According to the engineer’s notes and British Gas’s records a quote was produced for Mr A which was initially rejected and later accepted before the job was completed. So, I think the work British Gas carried out was likely to have been an upgrade to Mr A’s electrics rather than a simple repair or replacement of parts. As I don’t think the upgrade work was carried out as part of Mr A’s insurance contract, I don’t consider it to fall under the regulated activity of “*carrying out contracts of insurance*”. Nor do I consider it to fall under any other regulated activity noted in the DISP rules or an activity ancillary to something regulated.

This means I'm unable to consider Mr A's concerns about not agreeing to the work being carried out, or British Gas neglecting to get back in contact with him for around a year after identifying that upgrade work was necessary.

### Missed and cancelled appointments

I can consider Mr A's concerns about missed and cancelled appointments in early 2021 as they appear to relate to a claim made under his insurance policy.

British Gas says an appointment was booked for January 2021. But it was rescheduled in January and February and cancelled in March, before the engineer attended a couple of weeks later. It says this was because it was not able to secure relevant parts.

British Gas has apologised for not keeping Mr A informed and has offered him £150. I think this fairly recognises the frustration and inconvenience Mr A was caused by this poor service. So, I don't require British Gas to pay Mr A compensation above the amount it's already offered.

I appreciate my answer will be disappointing for Mr A. His main concern appears to relate to the upgrade work he's been invoiced for that he disputes agreeing to. But unfortunately, this isn't something our service has the power to look into.

### **Putting things right**

British Gas should pay Mr A the £150 it offered him in response to his complaint.

### **My final decision**

British Gas Insurance Limited has already made an offer to pay Mr A £150 to settle the complaint and I think this offer is fair in all the circumstances.

So, my decision is that British Gas Insurance Limited should pay Mr A £150.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 31 August 2023.

Anne Muscroft  
**Ombudsman**