

The complaint

Mr A complains about the excesses charged by British Gas Insurance Limited (BGIL) under his HomeCare policy for repairs, as he thinks the problems ought to have been picked up at his annual service. He also thinks BGIL failed to inform him of a fault with his boiler after his energy use increased.

What happened

Mr A held a HomeCare insurance policy with BGIL. He received some bills from his energy provider (British Gas Trading Limited) in 2022 which informed him that his energy usage had increased. Mr A wanted BGIL to carry out a service on his boiler, but BGIL said it would have to be logged as a claim and subject to an excess.

An engineer attended and identified a fault with the pressure release valve, and replaced the part. The engineer also carried out an annual service. Then around a month later, Mr B reported further issues with his boiler, as well as his immersion heater. BGIL carried out repairs and again charged an excess for each repair.

Mr A was unhappy with this, as he thought the annual service ought to have identified the issues with the boiler and immersion heater. He also thought the problem with the pressure valve ought to have been picked up at the previous service, and that he should have been contacted by BGIL under his HomeCare policy when his energy usage had increased.

BGIL issued its final response. It said the service of a boiler is to ensure it is working safely, and if a repair is needed, then an excess would still be payable. It confirmed that each repair had a £50 excess. Although Mr A wanted to be reimbursed for his excessive usage of gas, it said the meter readings were estimates and it couldn't say when or why the usage happened. Unhappy with BGIL's response, Mr A brought a complaint to this Service.

Our investigator didn't recommend the complaint be upheld. She didn't think BGIL would have known there was an issue unless Mr A had reported it. She also thought BGIL had applied the excesses correctly.

Mr A didn't accept our investigator's findings, and so the matter has been passed 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.

We've explained to Mr A that we can't consider any concerns he might have about British Gas Trading Limited as his energy provider (which includes his concerns about his smart meter and frequency of energy bills). I've therefore only considered Mr A's concerns about BGIL as the insurer of his HomeCare policy.

Mr A wants BGIL to refund his initial excess because the engineer carried out a service at the same time. However, the policy says that an excess is the amount paid towards each completed repair. I don't think BGIL did anything wrong by carrying out the annual service at the same time as it attended to fix the fault. This meant Mr A wouldn't be inconvenienced by having an engineer come out again to do the service.

I note Mr A is concerned that the annual service was rushed as he thinks the engineer ought to have identified the issue with his boiler and immersion heater at this time. The repair information says that the insulation panel needed to be replaced on the boiler, and a switch needed to be replaced on the immersion heater. However, Mr A only noticed the problems over a month after the service had taken place, which would suggest that they weren't present at that time. So I can't conclude that the engineer missed these issues.

Mr A also says he thinks the problem with the pressure valve ought to have been identified at the previous service. I don't know when the pressure valve failed. So I can't say that BGIL ought to have identified this issue at the previous service, even if checking this did form part of the service.

The policy says that an excess wouldn't be payable if a fault is related to one BGIL has fixed in the last 12 months. According to the repairs log, the repairs that BGIL carried out weren't repeat repairs from the previous 12 months. I therefore find that it was reasonable for BGIL to apply an excess for each repair it carried out.

Mr A thinks BGIL ought to have brought it to his attention under his HomeCare policy that his energy usage had increased and there may be a fault. However, the policy doesn't require BGIL to monitor energy usage. So I don't find that BGIL did anything wrong here.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 13 October 2023.

Chantelle Hurn-Ryan
Ombudsman