

The complaint

Ms M has complained about British Gas Insurance Limited. She isn't happy about the way it dealt with a claim under her home emergency insurance policy as it turned down her claim.

Ms M's representative has brought this complaint on her behalf but for ease I'll just refer to Ms M throughout this decision.

What happened

I looked at this case and provided my initial thoughts in my provisional decision as follows;

Ms M took a repair and cover home emergency policy out with British Gas as she had problems with her boiler. When British Gas' engineer initially attended it managed to get the boiler working but it was called out again the following day and again over the following days as the boiler still wasn't working properly. It eventually told Ms M that the part required was obsolete so it couldn't help any further. It didn't charge her for the policy as it said that it wasn't ever able to complete the first repair, which was a requirement of the policy.

However, Ms M wasn't happy about this and complained to British Gas as she thought her boiler should have been replaced, that she was left without heating over the festive period and she felt that British Gas had broken her boiler. Although British Gas initially told Ms M that it wouldn't be looking to pay for a new boiler as it was too old it eventually declined her claim as it wasn't able to fully repair her boiler on the first visit which was a requirement of the policy. But it did offer her £100 compensation in relation to its poor service.

Our Investigator looked into things for Ms M and eventually upheld her complaint. She thought that British Gas' engineer had fixed Ms M's boiler when it first attended and so she thought it should pay the costs Ms M incurred when replacing her boiler. And she thought it should pay an additional £150 (£250 total) by way of compensation.

As British Gas didn't agree the matter has been passed to me for review.

What I've provisionally 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.

Whilst I've considered all the information, I haven't commented on it all. Instead, I've focussed on what I consider to be the crux of the complaint and most relevant to the outcome reached. This isn't meant as a discourtesy but reflects the informal nature of our Service. And having done so I'm only partly upholding Ms M's complaint. I know this will come as a disappointment to Ms M, but I'll explain why.

Ms M's boiler wasn't working when she contacted British Gas to take out the policy and as pre-existing faults were covered under the repair and cover part of the policy she took out, Ms M thinks that she should have received a new boiler as the boiler was fixed by the first repair.

However, while I understand this and the boiler had been got back up and running, I don't think it is what the average person would call permanently fixed. I say this as British Gas were called out numerous times to the boiler over the next few days as there were intermittent problems with the boiler and it wasn't fully repaired, so I don't think, on balance, it was fixed. And so, I don't think British Gas had undertaken a full first fix which is why it didn't take payment for the policy.

It seems likely, on balance, that Ms M's boiler had a significant problem when she took out the policy with British Gas. I've asked for some clarity around what happened to the boiler that led Ms M to take out the policy in the first place. And she said the boiler just stopped working so she took out the policy immediately after. Given this, it seems there was a major problem with the boiler which is why Ms M chose to take out the policy as opposed to just getting the boiler repaired. And fixing boilers can often be difficult and take some trial and error and there clearly was an intermittent ongoing problem.

So, while I can understand this and Ms M's position I think, on balance, that there was a major problem with the boiler that wasn't fully repaired after British Gas' first attended. Although it was temporarily fixed on the first occasion if it was fully repaired it wouldn't have required looking at over the following days.

The contract says under the Repair & Cover' part of the policy '...if we are unable to complete this first repair for any reason, we may cancel your agreement' and as I don't think the boiler was fully repaired, I can't say British Gas has been unreasonable here in cancelling the policy and not taking any payment. And I don't think it would be fair or reasonable to pay for a new boiler costing thousands of pounds here. I understand that Ms M feels that British Gas subsequently damaged her boiler but there isn't any real evidence of this, and I would expect there to be. Ms M's chosen repairer hasn't provided any evidence or explanation about this, such as a detailed report, in support of her position. So, I don't think that it would be fair to ask British Gas to pay for the cost of a new boiler here.

Turning to the level of compensation I agree with our Investigator that it should be increased from the £100 British Gas originally offered. I say this as there clearly was some delay in finalising the position that the boiler wouldn't be replaced and a fair degree of confusion around why the claim was declined.

I'm sure this would have caused a lot of stress and inconvenience and impacted the time taken for Ms M to make the decision to replace the boiler around the festive period which clearly impacted her family. So, I agree that British Gas should pay £250 as opposed to the £100 it originally offered.

Replies

Both sides responded to the provisional decision and both British Gas and Ms M didn't agree with the position outlined.

British Gas said it agreed it would not be fair to ask it to pay for the cost of a new boiler, but it disagreed that the compensation level should be increased. It said its engineers explored all possible avenues to repair the boiler, including diagnostic checks and attempted to source parts. But after a few days of trying it established that a required part was obsolete so it could not repair the boiler. Ultimately, British Gas acknowledged all this would have caused a degree of confusion, but it felt it acted promptly, and its offer of £100 compensation was sufficient. Highlighting that any situation like this causes stress and inconvenience, but it did all it could to get the boiler working, attended promptly and wasn't responsible for the general inconvenience caused by the boiler failing around the festive period.

While Ms M responded in detail and provided reports from the company that serviced her boiler and the company that replaced the boiler after British Gas had attended and highlighted that she felt there were errors of fact and interpretation in the provisional decision as far as she was concerned. And Ms M felt her reports showed that her boiler had been serviced regularly and there were no problems before it broke down when she took the British Gas policy out.

Ms M said again that the boiler was fully operational after British Gas' first attendance and said an engineer was not allowed to leave a boiler turned on unless it was safe to and highlighted that the policy does not specify whether a repair had to last '*any particular duration*'. But it was noisy over the following days when British Gas reattended only becoming non-functional on the third day. And she felt the damage was consistent with disturbed or damaged internal wiring and there was no evidence of a blocked or unserviceable heat exchanger. Plus, Ms M reiterated that British Gas caused the boilers failure in her opinion.

Ultimately, Ms M maintained that the boiler was fully repaired upon British Gas' first attendance and so she was entitled to the full replacement cost of a new boiler (£3,500 + VAT).

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 remain of the view that the complaint should be partly upheld. I thank Ms M for the further reports which clearly show that she serviced her boiler regularly before it broke down around the festive period. While I accept this it doesn't mean her boiler didn't have a major problem that British Gas was unable to fully repair. And as Ms M's own engineer highlighted part of the decision-making process to replace the boiler stemmed from its age which made it difficult to gain parts and sensible to replace, given its age.

I can see that Ms M's engineer has suggested possible scenarios that may have impacted the boiler breaking down and that British Gas' *may* have contributed to the boiler failing. But there isn't anything concrete here and the boiler was towards the end of a modern boiler's life expectancy. And the boiler clearly had a problem in the first instance which is why Ms M took out the policy and contacted British Gas.

While I understand that British Gas did get Ms M's boiler working upon the first visit, I don't think the average person would describe it as permanently repaired. I say this as Ms M wasn't happy with how it was working when she called British Gas back out again when it was making noises. I wouldn't expect a boiler to be making unusual noises if it was working properly and fully repaired which is why she called British Gas back out. And it broke down within a few days so I don't think I can say it was fully repaired. Given this I don't think it would be fair or reasonable to ask British Gas to pay thousands of pounds in circumstances like this for a new boiler when it hasn't taken any payment from Ms M.

Finally, British Gas accepts that it could have done better here when it offered £100 compensation but doesn't feel it needs to go any further in relation to the compensation. However, I do feel it created some confusion when it entered into discussions about the age of the boiler with Ms M who had to go on and get confirmation of when the boiler was fitted believing that her boiler would be replaced by British Gas. When it should have simply explained that it wasn't going to replace the boiler or charge Ms M for the policy as it hadn't been able to get the boiler fully working after its first attendance which meant a new boiler

wasn't an option. Had it have explained things clearer Ms M would have been able to get on with getting a new boiler fitted more quickly which would have lessened the impact in the middle of winter and the festive period for Ms M and her family. And its discussions around this led to some additional loss of expectation for Ms M so I maintain that £250 is a fair amount of compensation in the particular circumstances of this case.

My final decision

It follows, for the reasons given above, that I partly uphold this complaint and I require British Gas Insurance Limited to pay £250 compensation to Ms M.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 14 January 2026.

Colin Keegan
Ombudsman