

complaint

Mr S and Mr Y complain about the service they received from British Gas Insurance Limited under their home emergency insurance policy.

background

Mr S and Mr Y complained to BG about this matter. And, being unhappy with its response, they complained to this service.

During our investigation BG offered Mr S and Mr Y £400 compensation for the trouble and upset they'd experienced.

Our investigator thought Mr S and Mr Y's complaint should be partly upheld. He said BG should reimburse the £2,448 they'd paid a private contractor to replace their boiler and the hot water pump valves, together with interest from the date they'd made this payment. And it should pay Mr S and Mr Y £400 compensation for the trouble and upset they'd experienced as a result of its poor handling of the matter.

BG disagreed with the investigator's conclusions. So, the matter's been referred to me to make a final decision.

I recently issued my provisional findings on this complaint. I said from what I'd seen it was clear Mr S and Mr Y have suffered considerable trouble and upset as a result of this situation. But I noted the private engineer they'd engaged didn't say their boiler needed to be replaced. The information I'd seen indicated he said a new heat exchanger and a new expansion vessel would've fixed it. I also noted BG said it would've been happy to repair the boiler, although I acknowledged Mr S and Mr Y said they'd lost confidence in BG by then.

In these circumstances I was minded to conclude it wouldn't be reasonable for me to require BG to reimburse Mr S and Mr Y the cost of replacing their boiler or of any of the other works the private engineer carried out. But I was minded to conclude BG should pay them an amount of compensation that covers the cost of a replacement heat exchanger and expansion vessel for their boiler. And that properly reflects the extent of trouble and upset they'd experienced.

So, I was minded to conclude BG should pay Mr S and Mr Y a total of £1,000 compensation, including the £400 it had already offered them. And I was minded to partly uphold their complaint on this basis.

This was different from the investigator's opinion, so I invited both parties to comment and provide any additional evidence for me to consider.

A copy of my provisional decision is attached and forms part of this final decision.

my findings

I've again considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

In response to my provisional decision, Mr Y says the proposed compensation's inadequate because account needs to be taken for the broken immersion heater missed by BG for some

years. And the incorrect positioning of a pressure vessel it installed, resulting in the re-installation of most pipe work.

Mr Y also says insufficient account's been taken of the mess BG left the boiler room in, with wires unsecured and insulation falling off. And he says his contractor had to re-do all of this work.

In addition, Mr Y says he was told the repair of the boiler would be only slightly cheaper than buying a new one.

I've noted Mr Y's comments and, as I said in my provisional decision, I've sympathy for Mr S and Mr Y. But, as I also said, I don't think it would be reasonable for me to require BG to reimburse the cost of replacing their boiler or of any of the other works the private engineer carried out, in the circumstances. I took the matters Mr Y's referred to into account when I made my provisional decision and I haven't seen any significant new information.

So, in these circumstances, I see no reason to change the conclusions set out in my provisional decision. And I partly uphold Mr S and Mr Y's complaint on that basis.

my final decision

I partly uphold Mr S and Mr Y's complaint against British Gas Insurance Limited. It must pay them a total of £1,000 compensation for its poor handling of this matter, including the £400 it's already offered them.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S and Mr Y to accept or reject my decision before 1 March 2018.

Robert Collinson
ombudsman

copy of my provisional decision

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During our investigation BG offered Mr S and Mr Y £400 compensation for the trouble and upset they'd experienced.

Our investigator thought Mr S and Mr Y's complaint should be partly upheld. He said BG should reimburse the £2,448 they'd paid a private contractor to replace their boiler and the hot water pump valves, together with interest from the date they'd made this payment. And it should pay Mr S and Mr Y £400 compensation for the trouble and upset they'd experienced as a result of its poor handling of the matter.

BG disagreed with the investigator's conclusions. So, the matter's been referred to me to make a final decision.

my provisional findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I'm currently minded to partly uphold Mr S and Mr Y's complaint and to require BG to pay them a total of £1,000 compensation, including the £400 it's already offered them. I'll explain why.

Mr S and Mr Y say that around May 2016 they found their heating system was having pressure loss issues. They say BG found a leak through the pressure gauge. But they say this didn't solve the problem, which continued despite having six visits by BG over the year. And they say they were told to pump up the pressure, which they had to do weekly, then daily, until there was a complete failure of their heating system in April 2017.

Mr S and Mr Y also say during this year BG told them on a number of occasions that they must have a leak in the house pipework and it had to be in pipes buried in the concrete floor slab. They say this caused them a great deal of stress and adversely impacted their health. And they say they consulted a private engineer who told them the boiler was broken and leaking.

In addition, Mr S and Mr Y say the private engineer carried out a number of repairs to correct the faults which had been repeatedly missed by BG engineers, including replacing the boiler and the hot water pump valves. They say they agreed to the private engineer carrying out these works as they no longer had any confidence in BG. And they say the total cost of the works was £3,108.

So, Mr S and Mr Y say they expect BG to reimburse them this amount and to compensate them for the year of trouble and worry they've been caused.

BG says whilst it appreciates the private engineer made a cost-effective decision to replace the boiler, it feels it wasn't beyond economical repair and it would've been happy to repair it. It says it doesn't feel Mr S and Mr Y have been given the best advice by the private engineer. And it says it doesn't feel it's fair or justified for it to increase its settlement to them.

It's clear Mr S and Mr Y have suffered considerable trouble and upset as a result of this situation and I've sympathy for them. But I note the private engineer didn't say their boiler needed to be replaced. The information I've seen indicates he said a new heat exchanger and a new expansion vessel would've fixed it. I also note BG says it would've been happy to repair the boiler, although I acknowledge Mr S and Mr Y say they'd lost confidence in it by then.

In these circumstances I'm minded to conclude it wouldn't be reasonable for me to require BG to reimburse Mr S and Mr Y the cost of replacing their boiler or of any of the other works the private engineer carried out. But I'm minded to conclude BG should pay them an amount of compensation that covers the cost of a replacement heat exchanger and expansion vessel for their boiler. And that properly reflects the extent of trouble and upset they've experienced.

So, I'm minded to conclude BG should pay Mr S and Mr Y a total of £1,000 compensation, including the £400 it's already offered them. But I'll consider any evidence Mr S and Mr Y give us that this compensation doesn't fully reflect what it would've cost them to replace the heat exchanger and the expansion vessel.

my provisional decision

For the reasons set out above, but subject to both parties' responses to this provisional decision, I'm currently minded to partly uphold Mr S and Mr Y's complaint against British Gas Insurance Limited and to require BG to pay them a total of £1,000 compensation, including the £400 it's already offered them.

Robert Collinson
ombudsman