

complaint

Mrs L complains that British Gas Insurance Limited (BG) failed to provide a satisfactory annual service of her boiler under her HomeCare policy.

background

Mrs L had a HomeCare policy with BG for several years. An annual boiler service, which she received as part of the policy, was due in May 2019. She says that when BG's engineer attended he didn't undertake a full service or safety check. She says he didn't have the necessary testing equipment with him, he didn't check the radiators, and he didn't take the front cover off the boiler. She says he seemed more focussed on trying to get her to change her boiler.

Eventually she asked him to leave. Before he did so, he asked her to sign a service sheet which she did just to get rid of him. She says her service visit was totally unacceptable. She'd taken the day off work and fully expected more from BG considering how much the service plan cost her annually.

Mrs L complained to BG. She said she'd paid £447.36 for HomeCare cover from BG that year and hadn't made any claims, and all she was going to get for her premium was an annual boiler service, and this had been totally unsatisfactory. She cancelled her policy and asked for a refund of that year's premium.

BG offered Mrs L another annual service visit, but by this stage she'd lost faith in BG, and arranged for her boiler to be serviced by an independent engineer. He undertook a thorough inspection of her system, adjusted the heating level which had been a bit low, which cost her £89 plus VAT.

BG said it couldn't refund Mrs L's premium, but it offered her £30 as a goodwill gesture, and refunded her £22.85 as the pro rata premium for what remained of the policy year.

Mrs L wasn't satisfied with BG's response to her complaint and brought it to this service. Our investigator's view was that as Mrs L had had the benefit of insurance cover for the policy year up to the point at which she cancelled it, it wasn't fair to recommend that BG refunded her premium in full. But he did recommend that BG refund to Mrs L that part of the premium that reflected the cost of the annual service, namely £65. He recommended that BG pay Mrs L compensation of £100 to cover the annual service and compensation for the inconvenience of having to take another day off work to accommodate a service visit by her own engineer.

BG didn't agree with our investigator's view and provided some further information. It provided evidence of checks undertaken by its engineer in the form of a screenshot of readings he'd taken. It maintained that a proper service had been undertaken and that its offer to send another engineer to undertake another service was a reasonable response to Mrs L's dissatisfaction.

Mrs L responded to the further comments from BG. Our investigator continued to be of the view that there were issues with the service BG had provided, and that his initial recommended settlement was appropriate. BG didn't provide any further response.

Mrs L's complaint has therefore been passed to me to make a final decision.

my 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 going to uphold Mrs L's complaint and I'll explain why.

I can appreciate Mrs L's frustration that, having paid £447.36 for her annual HomeCare cover, and not having required any visits during the year, she didn't even get what she considered to be a proper annual service. There's clearly some disagreement as to exactly what BG's engineer did when he attended Mrs L's property. According to Mrs L, he was only there for 22 minutes and in that time asked her five times about changing her boiler because of its age and the unavailability of parts. This seems to me somewhat excessive and beyond what BG says its engineers had a duty to draw to a customer's attention.

But I think what is important is what BG's engineer did or didn't do as far as the annual service is concerned. BG has said:

"Our engineers would also always carry out a combustion check using a Flue gas analyser; they would check the gas rate/pressure and the integrity of the flue; and would carry out a visual inspection of the combustion chamber. Should these check highlight any issues, or should there be any visible issues, such as a water leak or corrosion, further checks would be carried out and the appliance would be either repaired or made safe." (my emphasis underlined)

I believe that certain checks are undertaken at the flue, where output gases can be analysed. BG has provided evidence of analysis done by the engineer, so I can't say that no checks were done. But BG hasn't taken issue with Mrs L's assertion that the engineer never removed the cover of the boiler. Without doing so, I don't see how a visual inspection of the combustion chamber could've been undertaken, nor how any water leaks or corrosion could've been identified.

So I therefore consider that even on BG's own statement as to what an annual service should include, the service undertaken on Mrs L's system doesn't appear to have been as thorough as it should've been. I think it was reasonable for Mrs L to reject BG's offer of another service by another BG engineer, particularly as she's said that previous experiences had given her cause to doubt the thoroughness of services by some BG engineers.

I take into account that Mrs L's HomeCare policy covers a number of things, and I have no reason to doubt that if Mrs L had had cause to make a claim during the term of the policy, BG would've attended. It's in the nature of insurance policies that premiums are paid to cover events that one hopes will not occur. But as BG's HomeCare premiums include an annual service, which represents £65 of the annual premium, I think it would be fair and reasonable for this sum to be refunded to Mrs L. And I agree with our investigator that compensation of £100 would be reasonable to cover this and also the inconvenience that Mrs L suffered in having to take time off work to accommodate a second service visit.

So I'm going to require BG to pay Mrs L compensation of £100.

my final decision

For the reasons I've given above, I'm upholding Mrs L's complaint.

I require British Gas Insurance Limited to pay Mrs L compensation of £100.

This compensation must be paid within 28 days of the date on which we tell it Mrs L accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L to accept or reject my decision before 21 May 2020.

Nigel Bremner
ombudsman