

## **complaint**

Mr R's complaint is about the service provided by British Gas Insurance Limited in relation to his home central heating insurance policy.

The parties will see that I've changed the 'respondent' from British Gas Services Limited to British Gas Insurance Limited. This is because we have no jurisdiction over British Gas Services Limited for a complaint about handling of the insurance policy. It's only an *insurance intermediary*, not an insurer.

This is an important legal technicality but it does not affect the outcome of the case and as British Gas Services Limited responded to the complaint on behalf of British Gas Insurance Limited, there's no need for it to review the matter again or issue a further final response.

## **background**

Mr R holds a policy which provides cover for his boiler and central heating system. The cover includes an annual boiler service. Mr R says his boiler was working properly until it was serviced by British Gas on 11 October 2017; after that his boiler kept shutting itself off after around 20/30 minutes.

Mr R called British Gas the next day to report the problem and it sent another engineer out to look at the boiler. This engineer found that the boiler was emitting dangerously high levels of the carbon monoxide (more than three times the legal level); he couldn't repair the boiler so he shut it down. Mr R says he was due to come back out the next day to complete the repair but didn't turn up. Mr R therefore had to contact British Gas to arrange another visit. There was also apparently a problem as the wrong replacement part was ordered but I understand the boiler was repaired on 13 October 2017.

British Gas offered £50 compensation – which it says is in line with its "*regulatory body guideline for 2 unproductive visits*" – to Mr R for the trouble caused to him. It also says it fitted a carbon monoxide detector free of charge. British Gas says there was a potential flue seal problem and a gas valve issue as the boiler would not light. But it says it did not leave the boiler unsafe; the carbon monoxide levels measured on second occasion were in the flue only and that Mr R was never in danger because of this.

Mr R is very unhappy with this. He says the matter has caused him considerable anxiety and British Gas needs to acknowledge that it left his boiler in a dangerous state. When the second engineer didn't turn up, he had to chase British Gas and insist that someone else came out. British Gas told him no one else could come out until the 16 October 2017 initially and only agreed to send someone on 13 October 2017 when he refused to accept that. Mr R does not want this happening to someone else. Mr R asked British Gas for copies of the carbon monoxide readings taken by the second engineer but British Gas told him that he probably wouldn't understand them. He has asked for the policy to be provided free for a year, or a refund of the previous year's premiums, by way of compensation.

One of our investigators looked into the case. He noted that when British Gas first responded to us about the complaint, it told us that the first engineer had noticed the dangerous carbon monoxide levels and shut the boiler off but this wasn't true. Mr R has provided a copy of the job sheet left with him by the first engineer which records that he had reported that the carbon monoxide emissions levels were acceptable. This job sheet (or an equivalent record) had not been provided to us by British Gas.

Whilst he could not be sure that British Gas's first engineer had damaged the boiler, the investigator agreed that the boiler must have been operating properly until then, as the engineer had confirmed it was working properly on the job sheet. The investigator therefore considered that British Gas did not provide the service it should have done and the compensation it offered does not adequately reflect the distress and inconvenience caused to Mr R. He recommended that British Gas increase the compensation to £150.

Mr R doesn't accept that this is enough to reflect the severity of the situation he was put in. He has made the following points:

- Although the boiler was shutting down every 20 minutes he was reigniting it throughout the day, to try and get it working. Therefore it was leaking carbon monoxide throughout the whole day.
- He wasn't told the leak was in the flue only by the second engineer, he was told it was dangerous; and he is not inclined to believe what British Gas now says, given its attempts to dishonestly mislead the investigator about the sequence of events.
- If the leak was of no danger to him and his family (including his two young children) then why did the boiler need to be shut down for two days?
- British Gas also said it was limited by regulations in what compensation it can pay him but when asked to let him know what regulations it was relying on it wouldn't tell him.
- An apology for the situation and an acknowledgement of the failure is more important to him than the compensation.
- He has spent considerable time on this matter – having to attend the appointment on 12 and 13 October 2017; and countless hours on the phone. His time alone is worth more than the compensation recommended by the investigator.
- He can't accept that "*the so called service engineer*" is still allowed to visit the properties of other customers and potentially put their lives in danger also.
- He wants us to get an independent Gas Safe engineer to review the evidence.

Following this, British Gas did provide a written apology to Mr R but it simply apologised for the inconvenience caused to him. Mr R is not satisfied that it addresses the issues he has raised.

As the investigator was unable to resolve the matter, it has been passed to me.

### **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 share the investigator's consternation that British Gas initially said the first engineer noticed the excessive carbon monoxide emissions and turned the boiler off and that it did not provide us with a copy of the job sheet for this attendance.

It is not now disputed that in fact, the first engineer did not notice any excessive emissions and instead declared that the emissions were fine and the boiler working properly and safely.

British Gas also says that the carbon monoxide emission results were for the flue and it did not leave the boiler in an unsafe condition. I don't accept that this means the first engineer should not have tested these or noticed them, as far as I understand it this is something that

should be checked during a service, and this is supported by the checklist on the job sheets left with Mr R. And I also don't accept that this was not potentially dangerous.

The first engineer's job sheet says:

*"Appliance flue & ventilation" were safe and confirmed that the "combustion emissions [were] tested and confirmed as correct".*

By the next day the answers to the same checklist were that the *"appliance flue and ventilation"* was not safe and the *"combustion emissions"* were also not safe. The boiler was deemed to be *"at risk"* and a safety notice left with Mr R.

I agree that there is no convincing evidence that the engineer actually caused damage to the boiler but whether he did or not, he either caused the damage or failed to identify dangerous levels of carbon monoxide. Either is not acceptable.

(I note Mr R has asked for an independent gas engineer to review the evidence but I don't think that's necessary. I think the evidence is sufficiently clear for me to fairly determine the outcome to the complaint about the handling of the insurance policy.)

I can understand Mr R's grave concern about this. He was relying on British Gas to ensure his gas boiler was operating safely and it failed to do this. This could have had very serious consequences. However, I cannot punish any business for any failings or wrong doing, I can only instead award compensation commensurate with the actual distress and inconvenience suffered as a result of any proven failing by a consumer. While Mr R is concerned about what might have happened, by the time he knew about the carbon monoxide emissions, the problem had been made safe, (as it was shut off by the second engineer).

However, this did mean that he was without the use of his boiler for around two days which should have been avoided and had to have further visits from British Gas to sort out the boiler as well.

I am also concerned that British Gas said the £50 compensation it offered was for two "unproductive" appointments and was in accordance with regulatory guidelines.

There are no regulatory guidelines that limit the compensation due to a customer of British Gas Insurance Limited to £25 per missed appointment (or indeed any other amount). What British Gas is, I assume, referring to is the Electricity and Gas (Standards of Performance) (Suppliers) Regulations 2015. Those regulations provide that a supplier, such as British Gas, must pay compensation at £30 (not £25) per missed appointment or if an appointment is not kept on time, and another £30, if not paid within ten working days.

However, these regulations apply to British Gas as a gas supplier (i.e. British Gas, the utility company) not British Gas Insurance Limited – an insurance provider. As an insurer British Gas Insurance Limited is regulated by the Financial Conduct Authority ("FCA") and there is nothing in the FCA Handbook that would limit the compensation to be paid to a consumer. Instead businesses regulated by the FCA are within our jurisdiction and we have the power to determine what we consider fair and reasonable compensation should be for anything that business did wrong, having considered all the individual circumstances of the complaint (and subject to an overall limit of £150,000).

This was therefore misleading.

I agree with the investigator that the £50 offered by British Gas is not sufficient to reflect the distress and inconvenience caused to Mr R by this matter. I consider that it warrants a slightly higher award than the investigator recommended as well.

Having taken everything into account, I consider that the sum of £250 is appropriate to compensate Mr R for the distress and inconvenience caused by this matter, including being without heating and hot water for two days; a missed appointment; the worry caused to him; and the frustrations caused by British Gas's handling of the complaint which meant the complaint process was also longer than it should have been.

I know Mr R wants a proper apology from British Gas and assurance that the first engineer is not in a position to make the same mistake in someone else's property. Unfortunately I have no power to direct British Gas to insist on any additional training or to take disciplinary action against any employees. It is disappointing that British Gas has not provided a proper apology to Mr R however. If a senior officer from British Gas were to write a letter of apology to Mr R and provide him with some reassurance about preventing such a situation arising again, I think that would be an appropriate gesture. I am not going to make formal directions to that effect though because, if British Gas is not prepared to make such a gesture of its own volition, a forced apology would just be insincere and futile.

#### **my final decision**

I uphold this complaint against British Gas Insurance Limited and require it to pay Mr R the sum of £250 compensation for the distress and inconvenience caused by its handling of his cover.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 28 April 2018.

Harriet McCarthy  
**ombudsman**