

complaint

Mr P complains about the service provided by British Gas Insurance Limited in relation to a home emergency insurance policy.

Some of our correspondence has been with Mr P's wife, on his behalf, but for ease I will just refer to Mr P in my decision.

background

Mr P held a "gas appliance check" policy with British Gas for several years. Under this agreement British Gas carried out a yearly boiler service but didn't provide cover for repairs.

In November 2018, Mr P contacted British Gas as the overflow pipe for the boiler had been leaking. He had been advised by a relative – who's a plumber – that the expansion vessel needed to be replaced.

British Gas explained that the policy didn't cover repairs, so Mr P decided to upgrade to a policy that did include repairs. British Gas said if he did this an engineer could come out.

An engineer attended two days later but said the boiler didn't meet the standards required to be accepted for cover. So he wasn't able to carry out any repairs to the boiler.

Mr P said the engineer carried out a temporary fix but the problem became worse and they had a leak, which caused damage to a ceiling, and he complained about this. British Gas said due to some problems with the boiler that the engineer found on his visit, he couldn't add repairs cover. It said the engineer had advised what work needed to be done and noted that Mr P's relative would be able to come and do this. In response to further questions, British Gas agreed to refund the one-off charge of £99 Mr P had paid for the visit and offered an additional goodwill payment of £50.

Mr P wasn't happy and complained to our service. Our investigator didn't think the complaint should be upheld. She said British Gas decided not to provide repairs cover. And she didn't think British Gas should have to refund the repair costs as Mr P would have needed to get that work done in any event. But she agreed British Gas should refund the premium as it didn't upgrade the policy to cover repairs.

Mr P raised some further points but the investigator didn't change her view. In particular, she said the engineer had explained at the time of his visit that the boiler wasn't at the standard needed to be eligible for repair cover.

my findings

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

Under the policy Mr P had in place, British Gas would carry out an annual service of his boiler but he wasn't covered for repairs. When he called about the problem British Gas said he could upgrade to include cover for repairs and arranged for an engineer to attend. The policy terms for repair cover say what will happen in these circumstances:

“At the first service our engineer will check that your boiler is on our approved list and your boiler or central heating and ventilation don’t have any pre-existing faults. If we find it’s not on the approved list or it has a pre-existing fault we’ll either:

- *Tell you what needs to be done to fix it – and how much it’ll cost*
- *Offer you a different product or level of cover*
- *Or, cancel your agreement or product.”*

The policy defines “first service” as *“where we may visit you after you first take out a product covering your boiler to check and confirm whether we can cover you”*.

Insurers can decide what cover they wish to provide. British Gas says the condition of the boiler meant it wouldn’t be able to offer repairs cover, so it couldn’t honour the policy upgrade. The policy terms set out what will happen at the first visit and explain that British Gas may not be able to offer repairs cover. That’s what happened in this case – because of the condition of the boiler (in particular the type of pipework) it didn’t meet the requirements. And the engineer noted on the forms he left with Mr P that this meant he couldn’t have full cover.

Mr P says the engineer carried out repairs that were not done well, left the overflow still leaking, and left them without heating or hot water. The engineer might not have fixed the problem but I can’t see that he caused it; there was already a leak, which is why Mr P called British Gas in the first place. If British Gas had agreed to upgrade the policy to include repairs cover, then the engineer could have carried out the repairs. But the policy wasn’t upgraded.

For these reasons, I don’t think British Gas should have to refund the cost of the repairs; it didn’t agree to upgrade the policy to include repairs, so Mr P wasn’t covered for these costs. And Mr P would have had to get the repairs done in any event, so this isn’t an additional cost; it’s something he would always have had to pay for.

As the policy wasn’t upgraded, Mr P shouldn’t have to pay the extra premium for repair cover but British Gas agreed to refund this so there’s no need for any further action in relation to this.

my final decision

My final decision is that I don’t uphold the complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr P to accept or reject my decision before 13 September 2019.

Peter Whiteley
ombudsman