

complaint

Mr B complains about the service he has received from British Gas Services Limited under his HomeCare agreement.

background

Mr B held a HomeCare care agreement provided by British Gas. When his agreement renewed in May 2011 it became a HomeCare cover insurance policy underwritten by an insurer.

In April 2011 Mr B had a problem with his boiler. British Gas attended and initially repaired a pipe. It returned around a week later to complete the repair by replacing various items and a thermostat control.

Mr B had a problem with his hot water in May 2011. British Gas recommended a magnetic filter be fitted and a water filter be fitted to reduce limescale. It provided a quote that Mr B didn't take up. British Gas later provided a quote for a new mixing valve which Mr B accepted. British Gas returned later to fit that part.

Mr B had more problems with his boiler in January 2012 and, although he reported this to British Gas, he later had the boiler replaced by a third party. Shortly after the new boiler was fitted, British Gas attended in February 2012 to carry out a first service. During the service it recommended a magnetic filter be fitted and ordered a new radiator to replace one which was leaking at the time. British Gas said it returned around a week later with the new radiator to find that a new one had already been fitted by a third party.

Mr B complained that British Gas was responsible for damage caused to his ceilings and walls when a thermostat failed. He also believed British Gas failed to recommend a chemical inhibitor be added to his central heating system which he felt could have avoided the need to replace the boiler. British Gas didn't agree so Mr B complained to us.

Our adjudicator didn't think the evidence showed British Gas was at fault for either the boiler needing to be replaced or the damage caused by the thermostat. But the adjudicator did recommend British Gas pay Mr B £50 for not addressing parts of his complaint and writing to the wrong address, and the lesser of what Mr B paid to have one of his radiators replaced (£90) or what it would have cost British Gas to replace the radiator.

British Gas agreed to the adjudicator's recommendations, but Mr B didn't. The complaint was passed to me to review afresh.

my findings

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

Our jurisdiction to consider complaints is set out in the Financial Conduct Authority's Dispute Resolution (DISP) Rules. These say, among other things, that we can only consider complaints about "*authorised*" financial businesses.

Before 6 August 2009, neither British Gas Services Limited nor the insurer (from May 2011) onwards were regulated and so weren't authorised. This means we have no power to consider any part of Mr B's complaint about events that happened before 6 August 2009.

But I can look the events that took place from that date onwards. And in terms of this complaint, that means I'll focus on the events surrounding the boiler fault of April 2011 onwards.

Mr B provided a report from the third party that replaced his boiler. The report confirms the boiler and radiators contained rust and goes on to say:

"These problems are quite unusual for a system of this age and could have been avoided by correct servicing and maintenance. Chemical inhibitor is vitally important for central heating systems of all kinds and it is recommended to place a top up of inhibitor into central heating systems every couple of years to prevent sludge and corrosion forming inside. In my opinion if this had been done the problems with your system would not have occurred at such an early stage."

British Gas says that it doesn't provide a preventative service and adding chemical inhibitor, as recommended by the third party, wouldn't have been covered by Mr B's HomeCare agreement.

The terms of Mr B's agreement provide cover for repairs in the event of a breakdown of the central heating system, and also for an annual service to be carried out once each policy year. The annual service is described in the terms as a check to make sure the parts covered by the agreement are safe and in good working order.

I think on the whole the terms are clear that the HomeCare agreement isn't a maintenance contract or a preventative service. Mr B's agreement also sets out that it doesn't include:

"• Removing sludge or hard-water scale from your system or appliance.

• Repairing damage caused by scale, sludge or other debris if we have told you... permanent repairs, improvements or a British Gas Powerflush™ (or a similar cleaning procedure) are needed to help make sure your appliance or system works properly."

I don't think British Gas was responsible for Mr B's boiler needing to be replaced. Although the terms of the agreement don't cover or require it to carry out preventative work – such as adding a chemical inhibitor – British Gas did recommend measures outside of the scope of the HomeCare agreement to address the build-up of sludge and rust. Mr B chose not to take up those recommendations.

Overall, I don't think British Gas acted unfairly with regard to the boiler and don't agree that it should contribute towards the cost of Mr B's new boiler.

I now turn to the damage Mr B says was caused by his thermostat. Although I see British Gas fitted a new thermostat control in April 2011, I don't think the evidence shows on balance that British Gas was responsible for the damage that was caused or should have acted differently to prevent this from happening. So I make no award regarding that part of the complaint.

Finally, British Gas agreed to pay Mr B £50 in recognition of its handling of his complaint and, in the circumstances, I agree that's reasonable. British Gas also agreed to contribute towards the cost of replacing one of Mr B's radiators and I also think that's fair.

my final decision

For the reasons given, I've decided to uphold this complaint in part. I require British Gas Services Limited to pay Mr B £50 as compensation and the lesser of either what it would have cost it to replace the radiator or what Mr B paid to have the radiator replaced.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 16 November 2015.

Nimish Patel
ombudsman