

complaint

Mrs L is unhappy that following the installation of a new boiler British Gas Insurance Limited cancelled her HomeCare policy and refused to carry out repairs to her central heating system.

background

Mrs L has held policies with British Gas for many years for the servicing and repairs of her boiler and central heating. In September 2014 Mrs L rang British Gas as her boiler had stopped working. An engineer from British Gas attended and had to condemn Mrs L's boiler as it needed parts that weren't available anymore. It advised Mrs L to get a new boiler. Mrs L arranged for a private engineer to fit the new boiler.

In October 2014 Mrs L phoned British Gas to tell it about the installation. She asked for the policy to be reduced to cover the central heating only as the boiler had a two year guarantee. British Gas told Mrs L that it didn't offer that type of cover anymore if the boiler was installed by a third party. It said this was a recent change to the policies that were available. As British Gas wasn't able to offer the cover Mrs L required the policy was cancelled.

Mrs L felt British Gas had forced her to cancel the policy. She said that there were problems with the radiator thermostat valves before the boiler was replaced. And that these had been raised with British Gas before it had condemned the boiler. It had led her to believe that these faults would be repaired and the valves replaced as they were covered by her policy. It had sent her a letter in October telling her that an engineer would be attending her home to undertake the work. It hadn't told her that the policy couldn't be altered she couldn't alter her policy and she thought it was in breach of the contract it had with her.

British Gas disagreed. It offered Mrs L a goodwill gesture of £80 to reflect the delay in dealing with her complaint. But said it didn't have any record about the valves needing to be replaced. It also said that it hadn't told Mrs L about no longer offering the central heating cover because with the policy she had in place she wasn't affected by that change.

Mrs L complained to this service. Our adjudicator investigated the complaint and recommended that Mrs L's complaint wasn't upheld. He thought there wasn't any evidence that British Gas had agreed to repair the thermostat valves. He explained that the letter Mrs L had received was actually about the problem she had reported to British Gas in September and not about an engineer coming to look at the thermostat valves. And although British Gas had provided reduced cover under a policy in the past for Mrs L's central heating it wasn't acting unfairly by not offering her that again.

The adjudicator thought the goodwill payment of £80 was fair and reasonable. Mrs L disagreed and the complaint 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.

Mrs L has had a number of HomeCare policies with British Gas over the years. She has described them as a 'rolling' contract. And said that as British Gas had provided cover just for central heating in the past when a new boiler had been fitted by a third party then it should do so again. Although I understand why Mrs L would think this, each of her annual

policies was actually a separate insurance agreement. This means British Gas was able to change the cover it offered with each policy and didn't have to offer the same terms every year.

The policy Mrs L had in 2014 didn't offer cover just for the central heating system. This meant her particular policy wasn't affected by British Gas' decision to alter the terms of the policy that did cover central heating systems only. I don't think, in these circumstances, British Gas was being unfair by not informing Mrs L of this change.

I've seen all the notes that British Gas made when its engineers attended Mrs L's home to repair and service her boiler. There aren't any entries about faults with the radiator valves. So I've no evidence that British Gas was aware of this problem or that it had agreed to repair them. British Gas has explained the letter it sent out in October 2014. And when looking at the reference numbers I think that letter was one that was generated by her reporting her boiler problem so it's not about any other works.

I've also listened to the phone call between Mrs L and British Gas in October 2014 when the policy was cancelled. Mrs L expressed concern that cover was being cancelled. But British Gas was clear that it couldn't offer her the cover she required and so Mrs L agreed to cancel. Mrs L didn't mention the thermostat valves during that call.

I'm not upholding Mrs L's complaint. I think British Gas was acting fairly and reasonably when it declined to offer Mrs L cover for her central heating system only. I also don't think it had agreed to repair the thermostat valves under the previous policy. But I do think the offer of £80 compensation for the delay in dealing with the complaint was reasonable.

my final decision

I'm not upholding Mrs L's complaint. British Gas Insurance Limited must pay Mrs L the £80 already offered as a goodwill gesture. But I'm not making any further award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L to accept or reject my decision before 22 February 2016.

Jocelyn Griffith
ombudsman