

complaint

Mrs S complains that British Gas Insurance Limited gave her poor service under a home care insurance policy.

background

Mrs S complained that – as it hadn't provided good service - British Gas should refund what she'd paid over the years.

The adjudicator recommended that the complaint should be upheld in part. He thought Mrs S had had the benefit of the cover. But British Gas had made an error with an agreed refund. So the adjudicator thought it was fair and reasonable that - in addition to the further £23.59 due - British Gas had offered to pay £50 compensation.

Mrs S disagrees with the adjudicator's opinion. She says, in summary, that British Gas never told her that she wouldn't be covered if she didn't pay for a power flush.

my findings

I don't have the legal power to consider Mrs S's complaint insofar as it relates to events which happened more than six years before she brought her complaint to us and which she could've complained about at the time.

This final decision relates to later events.

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

By way of background, I've seen British Gas policy terms dated 2009. They exclude the following:

"Repairing faults or clearing physical blockages (blockages such as rubble, sludge and scale, but not air locks) or repairing damage caused by scale, sludge or other debris if we have told you permanent repairs, improvements or a PowerFlush™ (or a similar cleaning procedure) are needed to make sure your appliance/system works properly. We will only tell you this if, in our expert opinion, it is necessary."

From its records, I'm satisfied that British Gas has for many years told Mrs S that her system needed a flush or a magnetic filter to make sure it worked properly.

From what she says, Mrs S regarded this as "upselling" and didn't get a flush or a filter.

British Gas cover is on a yearly basis. So the terms may change from time to time. I'm satisfied that – at all times relevant to this decision - British Gas didn't have to do repairs on Mrs S's boiler caused by the effects of sludge.

British Gas did annual services of Mrs S's boiler.

It also attended when her boiler broke down. It replaced important parts such as the fan.

From its records, I think that it did repairs reasonably promptly. But sometimes the repairs took time and Mrs S was left with no central heating or hot water.

As Mrs S has had the benefit of cover on the terms of the policy, I don't think it would be fair and reasonable to order British Gas to refund any of her premium payments for periods before about December 2015.

I accept that in March 2016, British Gas showed Mrs S a blockage caused by sludge.

Keeping in mind the policy terms, I don't think it was unreasonable that British Gas said she would have to pay for a flush before it would do repairs.

Mrs S says she got someone else to do a flush. And she says she now has boiler cover through another insurer.

In its final response letter British Gas apologised for the way a manager handled a call with Mrs S.

British Gas also agreed a refund from the December 2015 renewal. This should've been for £141.54. But at first it only paid £117.95. So it should pay the balance of £23.59. I will also order it to pay interest at our usual rate.

I don't doubt that the delay has caused Mrs S some upset and put her to some trouble.

Since she brought her complaint to us, British Gas has offered £50 compensation. I find that fair and reasonable in line with what I would've ordered it to pay if it hadn't made that offer.

I don't think it would be fair and reasonable to order British Gas to do any more in response to this complaint.

my final decision

For the reasons I've explained, my final decision is that I uphold this complaint in part. I order British Gas Insurance Limited to pay Mrs S:

1. if it hasn't already paid her £23.59, that sum plus simple interest on that sum at a yearly rate of 8% from the date of its final response letter to the date of payment. If British Gas considers that it's required by HM Revenue & Customs to withhold income tax from that interest, it should tell Mrs S how much it's taken off. It should also give her a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate;
2. £50 for trouble and upset.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 22 March 2017.

Christopher Gilbert

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