

complaint

Mr D complains that British Gas Insurance Limited (“British Gas”) mishandled his Home Care insurance claim.

background

Mr D holds a Home Care policy with British Gas which provides breakdown cover for his boiler. He made a claim on 8 January 2018 as there was a system fault which resulted in his heating and hot water being shut off.

British Gas sent an emergency engineer to Mr D’s property the following day. The engineer reported that the boiler was a safety risk due to the breakdown of the flue as well as the level of boiler emissions, so it was recommended that the boiler be switched off as a safety precaution. However, the engineer said that the work required to investigate the issues was not covered under Mr D’s policy and would be chargeable. He also recommended a particular British Gas boiler salesman as he said it would ultimately need replacing.

Mr D says British Gas then sent a salesman to his property on 11 January 2018 who provided some quotes for a new boiler and explained that the waiting/fitting time for a new boiler would be around six weeks. Mr D says he then waited for the salesman to provide him with a written quote, but that he never received a response. So he eventually contacted an independent third-party engineer to inspect the boiler and provide a second opinion.

The third-party engineer told Mr D that the boiler was in fact repairable and did manage to make it operational again on 24 January 2018, for which he charged £145. Mr D contacted British Gas the following day to explain that they were incorrect as the emissions were within the manufacturer’s tolerances, so he asked if they would now cover the cost of the repairs. British Gas subsequently arranged for a second engineer to attend Mr D’s property on 25 January 2018 to reassess the boiler and test the emissions.

The second engineer reported that the level of emissions were still considered unsafe, and that the third-party engineer’s work was not satisfactory, which had left Mr D at risk. However, he still did not consider this advice to be correct. As a result, British Gas offered to refund £246, representing the cost of the policy, but said they would not reimburse the cost of the repairs carried out by the third party as this would not have been covered by the policy. Mr D was unhappy with this resolution and brought his complaint to this service.

Our investigator upheld Mr D’s complaint. He didn’t think British Gas were incorrect in saying that the boiler was at risk because the emissions reading did appear to be outside the accepted tolerance level set by the manufacturer. But he noted that there were delays caused when British Gas did not get back to Mr D in relation to the quote for a new boiler, which he thought resulted in him being without heating and hot water for longer than necessary. He also thought there were other elements of their service which could’ve been better, so he recommended they pay £100 compensation for the distress and inconvenience caused.

British Gas disagreed. They said that the element of Mr D’s complaint about the boiler sales person did not fall within our jurisdiction to consider, and they didn’t think they ought to pay any compensation. As a result, the matter has been passed to me to determine.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I've decided to uphold it, as I consider the £100 compensation recommended by the investigator to be fair and reasonable.

First, I agree that British Gas were entitled to rely on the advice of their engineers when they were told that the boiler emissions did not fall within the safe level of tolerance set by the manufacturer. And given that the repairs carried out by the third-party engineer were not covered by the policy (and given that it is still seemingly categorised as 'unsafe' according to British Gas' standards) I do not think they ought to cover the costs of this repair.

However, I do think elements of their service could have been better. I can see, for example, that Mr D had to chase British Gas for a response to his queries on a few occasions and had to repeat his concerns about the engineer's report to various different agents. He also complained about the way he was spoken to by the agents, saying they were rude and unsympathetic toward his situation. I haven't been provided with a copy of the calls with these agents. But in any event, I consider a lot of this could have been avoided if British Gas had done more to explain the nature of the readings/engineer's report in the first instance.

Mr D has said the first engineer that attended his property on 9 January 2018 did not initially provide him with the boiler emission readings. It is clear that Mr D was unclear about the reasons why his boiler was considered unsafe, as he subsequently thought that his reading of 0.0020 was within the manufacturer's tolerance levels. So if British Gas had explained the nature of the readings sooner (and properly outlined why this level of emissions was not considered safe) he may have been in a better position to decide how to proceed, rather than pursuing British Gas in the belief that he had been given incorrect information by the engineer.

I understand British Gas have raised concerns about whether the delay caused by their salesman is something that falls within the jurisdiction of this service to consider. But assuming for a moment that it does *not* fall within our jurisdiction to consider – having considered the way British Gas handled the rest of Mr D's claim (that is regulated) – overall, I still consider compensation to be warranted.

The power to make such an award is provided for in DISP Rule 3.7.2 of the *Financial Conduct Authority Handbook*, which sets out that I can award *fair compensation* for distress or inconvenience experienced by a customer. I appreciate that British Gas has cancelled the policy and has refunded the cost to Mr D. However, I do not consider this to be a *compensatory* payment, as it is just refunding money that he had already paid. And given that I consider the actions of British Gas to have caused moderate inconvenience and upset, I consider an award of £100 to be fair compensation in the circumstances.

my final decision

For the reasons given above, I uphold this complaint and direct British Gas Insurance Limited to pay £100 compensation to Mr D within 28 days of their receiving notice of his acceptance of this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 7 December 2019.

Jack Ferris
ombudsman