

complaint

Mrs T complains about the service she received from British Gas Insurance Limited under her home emergency policy when her heating stopped working properly.

background

When Mrs T's boiler was cutting out and some of her radiators stopped working, British Gas' service team came out to investigate several times but didn't identify the fault. Mrs T was eventually told that her options were a power flush or a power flush plus new boiler installation. She chose the power flush and new boiler but this didn't solve the problem. Mrs T was left without heating or hot water for several days. It was only after British Gas later replaced the air separator valve that heating was restored to the whole system.

British Gas offered Mrs T compensation for service issues but said she had to pay for the boiler. She doesn't think she should have to pay for the boiler as she didn't need a new one and it didn't solve the problem with her heating.

Our investigator didn't think that British Gas had done anything wrong but Mrs T didn't agree. She provided some further information and I recently issued a provisional decision indicating that I intended to uphold the complaint. An extract from my provisional decision follows:

my provisional findings

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

Mrs T's home emergency cover under her policy with British Gas includes repairs and maintenance to her central heating system. It's subject to some exclusions, including damage caused by sludge where British Gas has advised carrying out a power flush but it's not been done, and the cost of carrying out power flushes themselves. So Mrs T would have expected British Gas to identify the fault and, if it was covered by the policy, carry out the repair.

British Gas first visited Mrs T's property in August 2017. Several different engineers who attended thought there was a blockage in the system. Water sampled was black suggesting there was sludge in the system. Cleanser was added but made no difference and British Gas acknowledge that it was unlikely to have helped.

Mrs T was given the option of power flush or power flush plus new boiler. British Gas accept that they recommended the second option. They've said that the cost of the power flush was cheaper when done at the same time as a new boiler installation and that since the boiler was over 20 years old, on the reduced parts list and inefficient, it was the right advice. And they say Mrs T didn't have to accept their quotation.

Mrs T says she was aware of the age of her boiler and that parts were limited but wouldn't have chosen to change the boiler until it became absolutely necessary because of the cost involved. I think it was reasonable for her to rely on British Gas's advice. I haven't seen any evidence that Mrs T would've been able to have the power flush and new boiler installation carried out any cheaper by anyone other than British Gas. I think it was reasonable for her to accept their quotation, particularly since she was in the middle of their process to repair her heating and it would've been inconvenient for her to have had to go elsewhere.

The system still didn't work after the boiler had been replaced and a power flush carried out. Several more power flushes and the installation of new pumps didn't solve the problem either. It was only after the air separator was replaced that the heating system worked properly.

British Gas' service team carried out the original investigation. The boiler installation and later power flushes were done by the installation team. British Gas say Mrs T should've told the installation team more about the problems she'd been having with the system as this would've helped them find the fault. I don't think that's reasonable. Mrs T says she thought the British Gas teams would be sharing information and I think Mrs T is entitled to expect that they were and to rely on their expertise.

British Gas say that wherever there's a blockage in a system, the first step to removing it is a power flush and that they wouldn't have replaced the air separator valve straight away as this involves cutting out pipe work. I can't comment on British Gas' technical fault finding procedures but here they did several power flushes and took other steps which failed to solve the problem before finding out what it was. I think British Gas could've worked more effectively to find the fault.

British Gas have offered Mrs T compensation of £250 for the poor service Mrs T has complained about and said this would be taken off the outstanding balance of the new boiler installation work. British Gas have paid £50 to Mrs T for the delay in addressing the issues she's raised.

I think that the compensation offered for service issues is at the level which this service would recommend in the circumstances.

British Gas failed to diagnose the problem correctly and instead recommended that Mrs T get a new boiler. It wasn't necessary for Mrs T to buy a new boiler to solve the problem with her heating. If the claim had been dealt with correctly, Mrs T's old boiler would have been repaired and she wouldn't have needed a new boiler. So I don't think she should have to pay for the new boiler. But the boiler was old and Mrs T now has the benefit of a new boiler which I think needs to be taken into consideration when deciding what's fair and reasonable to resolve her complaint.

I do think it was reasonable for British Gas to recommend a power flush as part of their fault finding process and that it's fair that Mrs T should pay for that. I think it's fair to take into account the cost of doing a power flush on its own rather than as part of a new boiler installation. British Gas say this would've cost between £600 and £700.

I haven't seen any invoices but the correspondence I've seen indicates that the cost of the power flush and new boiler installation was £2,525. British Gas say that £2,272.50 was outstanding suggesting Mrs T has already paid £252.50. I think it would be fair for Mrs T to pay to British Gas the difference between what she's paid already (£252.50) and what the cost of a power flush alone would have been (£600), so £347.50.

Mrs T has suffered inconvenience as a result of the poor service she received and she should be compensated for that as British Gas have recognised.

developments

British Gas have provided some helpful technical clarification regarding the air separator valve in Mrs T's system and re-emphasised some of the points they'd made before I issued my provisional decision.

my findings

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

In simple terms, Mrs T didn't need the new boiler British Gas recommended and British Gas accept that the service they gave her wasn't as good as it should've been. I noted in my provisional decision British Gas' point that the air separator valve in Mrs T's system involved cutting out pipe work. British Gas' further comments largely repeat what they've said before and I considered them in reaching my provisional decision. So I can't see any reason to change my decision. In all the circumstances I think it's fair and reasonable to uphold Mrs T's complaint.

my final decision

My final decision is that I uphold Mrs T's complaint. Subject to Mrs T paying the balance of £347.50 for the power flush, British Gas Insurance Limited should

1. not charge Mrs T for the new boiler; and
2. pay £250 to Mrs T as compensation for the inconvenience she has suffered in addition to the £50 she has already been sent.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 3 April 2018.

Julia Wilkinson
ombudsman