

complaint

Mr R complains that British Gas Insurance Limited is responsible for poor service under a home emergency insurance policy.

background

Where I refer to British Gas I refer to the insurance company of that name and I include engineers and others for whose actions I hold it responsible.

Mr R owned a flat that he let to tenants. He had British Gas HomeCare cover for that flat.

Mr R or his tenants rang British Gas for help with the central heating boiler. After several visits, Mr R complained that British Gas hadn't fixed the boiler – and had made it dangerous by using incompatible parts. Mr R's builder installed a new boiler on about 18 April 2018. Mr R says British Gas should reimburse him the cost of about £2,200.00.

In its final response letter in August 2018, British Gas said it was sending Mr R a cheque for £80.00.

Our investigator recommended that the complaint should be upheld in part. She didn't think that the number of visits showed that the boiler was irreparable. Therefore she didn't recommend that British Gas should pay for the new boiler. But she thought that the time British Gas had taken in attempting to resolve the issues could've been managed better. So she recommended that British Gas should increase the compensation offered to £150.00 for the miscommunication and inconvenience.

The investigator said that she hadn't seen any evidence in regards to direct financial loss because of the delay, for example loss of income. She said that If Mr R were able to evidence this, she might also consider this as additional compensation.

Mr R disagreed with the investigator's opinion. He asked for an ombudsman to review the complaint. He says, in summary, that he has enough evidence.

British Gas disagreed with the investigator's opinion. It asked for an ombudsman to review the complaint. It says, in summary, that:

- There were more visits than you would expect to see, however this is simply due to the fact that Mr R didn't take any action following its recommendations, which led to more breakdowns and visits.
- The gesture it provided is fair and reasonable.
- When it was asked to attend to the property, it did.
- There was a problem with sludge in the system, which was the main reason that the system kept failing.
- The only other option it would have had was not to visit at all until the remedial work had been completed.

my findings

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

As I understand it, most central heating systems have metal radiators, pipes and parts of the boiler that contain water. Over time the water corrodes those metal parts and forms sludge which may impede or block the flow of water.

I'm satisfied that Mr R's builder installed the boiler in the summer of 2013. Mr R has provided an email from his builder confirming that. And the British Gas work history shows the boiler as dating from 2013.

Mr R had HomeCare cover. It covered most boiler repairs. And if British Gas couldn't repair a boiler that was less than seven years old, the policy provided for a replacement boiler.

But the policy didn't cover the cost of a power flush. And it excluded the following:

*"Damage caused by limescale, **sludge** or other debris – if we've told you before that you need to carry out **repairs**, improvements or a **British Gas Powerflush**, or a similar process, but you haven't done so"*

I've seen the following note from a British Gas visit in January 2017:

**"CODE 6 RECOMMENDED POWERLUSH SYSTEM SLUDGED BOILER
OVERHEATING ADVISED CIRCULATION ISSUES"**

Mr R said (in his email of 19 April 2018) that his system had been flushed before. But he hasn't said when it was flushed and he hasn't provided any documents recording any flush.

So I don't find that anyone flushed the system between summer 2013 and about 18 April 2018. The policy terms meant that – after the advice in January 2017 – the policy didn't cover damage caused by sludge.

Mr R has sent photographs of the boiler. He says British Gas fitted parts incompatible with it. And his builder's email includes the following statement:

"Just to reiterate in my professional option [sic] the boiler stoped [sic] working because of the many incomparable [sic] replacement parts that were installed by British Gas over a long period."

But the builder hasn't given details of his qualifications and experience in relation to gas boilers. And neither the photographs nor the email are enough to show what replacement parts Mr R and his builder are referring to. So I don't find that British Gas had fitted parts that were incompatible with the boiler or that made it dangerous.

I've seen the following note from a British Gas visit in late March 2018:

"PHONED L/LORD, POWERFLUSH REQ'D DUE TO SLUDGE AND BLOCKAGE"

From what he has said, Mr R got quotes for a flush from British Gas and others. But he made the choice to get his builder to install a new boiler – as well as flushing the system. He says the system water wasn't dirty and quickly ran clear.

I've weighed up Mr R's evidence with the evidence from British Gas including the note in late March 2018. And I find it more likely than not that sludge had damaged the boiler between January 2017 and March 2018.

Therefore the policy didn't cover the repair of the damage. And I don't think it was the case that British Gas couldn't repair the boiler. Rather I think it was the case that British Gas wouldn't repair the boiler free of charge because it had been damaged by sludge. I don't think British Gas treated Mr R unfairly by taking that position. I don't find it fair and reasonable to direct British Gas to reimburse Mr R the cost of the new boiler.

But I think British Gas should've communicated more clearly with Mr R – with confirmation in writing – about what the policy covered and what it didn't. I think the shortcomings in its communication caused Mr R some extra distress and inconvenience at an already difficult time for him. I find £150.00 fair and reasonable compensation for this. So I will direct British Gas to pay Mr R £150.00 (less the £80.000 if he has presented the cheque).

my final decision

For the reasons I've explained, my final decision is that I uphold this complaint in part. I direct British Gas Insurance Limited to pay Mr R £150.00 for distress and inconvenience insofar as it hasn't already paid him that sum.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 2 September 2019.

Christopher Gilbert
ombudsman