

complaint

Mr and Mrs C complain that British Gas Insurance Limited failed to carry out an annual service in line with their contract.

background

Mr and Mrs C hold a home care product with British Gas, which entitles them to an 'annual' service of their heating system. The policy was taken in August 2016 – and the first service was carried out in September 2016.

The policy was renewed in August the following year, and Mr and Mrs C arranged for another service to be carried out in November 2017. But this was rescheduled a number of times and the appointment was subsequently moved to March 2018. Mr and Mrs C complained to British Gas as they didn't receive a service throughout the year of 2017, meaning it hadn't met its obligations to provide an *annual* service as promised by the policy terms and conditions.

British Gas apologised for rescheduling the appointment, but explained that the policy entitled Mr and Mrs C to one annual service per *contractual* year, which is based on the date in which the policy is taken out. Mr and Mrs C's policy runs from 25 August to 24 August each year. So British Gas argued that there was no failure to meet its obligations, as it had until the end of this period to carry out the service for the 2017/18 contractual year. As it stands, the service was arranged for March 2018 – so British Gas says the annual service was carried out in line with the policy terms. It also offered £110 for the inconvenience of rearranging their appointments.

Mr and Mrs C disagreed with British Gas' interpretation of an 'annual' service. They argued that it cannot be 'annual' if they hadn't received a service throughout the entirety of 2017, and they brought their complaint to this service. Our investigator didn't uphold Mr and Mrs C's complaint, as she felt that British Gas had met its obligations to provide one service per year. Mr and Mrs C didn't agree, so 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. Having done so, I've decided not to uphold Mr and Mrs C's complaint. I'll explain why.

The key issue in this case comes down to the interpretation of the word 'annual'. The policy terms and conditions explain that, with regards to the annual service '*one of our engineers will visit your home once a year to check that your appliance, boiler or central heating and ventilation is working safely*'. The term 'annual service' is further explained by the policy as a check '*each year*'. So although the policy does state the regularity of the service, it doesn't specify at what point the 'year' begins and ends.

I understand that Mr and Mrs C interpret the term 'annual' as meaning once per *calendar* year, which is why they're unhappy not to have received one throughout 2017. But I can't agree on this interpretation of the term, as it's clear that 'annual' in this context can only realistically refer to the *contractual* year in which the policy is active.

If, for example, Mr and Mrs C had taken their policy on 30 December 2016, it wouldn't be fair to say that British Gas had failed to meet its obligations if it couldn't carry out a service on the one day remaining of that *calendar* year. What the policy offers, therefore, is for an annual service to be carried out once within the *period* of a year of the policy's inception or renewal. And I don't think any other interpretation is viable in the circumstances.

As Mr and Mrs C's service was arranged for March 2018, I'm satisfied that this was within the period of one year from their policy being renewed in August 2017. On that basis, I don't think British Gas has failed to meet its contractual obligations. I appreciate it must have been frustrating when the appointments were rearranged, but British Gas has acknowledged this by offering £110 compensation, which I consider to be reasonable in the circumstances.

It follows that I won't be asking British Gas to do anything further in this case.

my final decision

For the reasons outlined above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs C to accept or reject my decision before 18 July 2018.

Jack Ferris
ombudsman