

complaint

Mr S complains that British Gas Insurance Limited mishandled his home care insurance policy.

background

Mr S bought British Gas insurance for his central heating boiler. British Gas didn't identify it as a boiler that it couldn't cover. After it broke down, British Gas wouldn't fix it. Mr S complained that British Gas should pay for a replacement.

The adjudicator didn't recommend that the complaint should be upheld. He thought that Mr S unnecessarily paid for a policy he couldn't receive any benefit from. But British Gas had refunded all of the policy premiums and the policy excess. So the adjudicator was satisfied that it had put Mr S back in the position he would have been in if it had identified at the beginning that it couldn't cover his boiler.

Mr S disagrees with the adjudicator's opinion. He says, in summary, that British Gas should have told him sooner that it couldn't cover his boiler – and he would then have obtained alternative cover.

my findings

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

I accept that Mr S's boiler was over 7 years old. I'm not aware of any insurance policy which would have covered its replacement on a new-for-old basis.

Mr S went online in the summer of 2014, but couldn't find his model of boiler on the British Gas website. So he rang British Gas. It sold him a policy to cover repairs in certain circumstances or replacement of the boiler if it was less than 7 years old.

British Gas sent a welcome letter saying that it would organise a "first visit". This would have established sooner that Mr S's boiler was one it couldn't cover. But British Gas didn't arrange such a visit.

Mr S started making the regular payments of premium for the policy.

When his boiler broke down in the autumn, Mr S called British Gas for help. It sent three separate engineers but none of them could help. In the meantime, Mr S paid a policy excess or call-out charge, and received an invoice for a second one.

Mr S says that he turned to a different company for help. He says it told him it could still get parts for the boiler.

British Gas agreed to refund what Mr S had paid it – and to cancel its invoice.

It also sent Mr S £100 compensation for not arranging the first visit.

I have thought about what would have happened if British Gas had done its first visit in the summer of 2014. I think it would have cancelled the policy. And I think Mr S would have

taken out a policy with another provider. But he hasn't provided copies of the detailed terms of an alternative policy. So I'm not persuaded that any such policy would have covered the repair (let alone the replacement) of a boiler like his.

Overall, I think British Gas has made fair and reasonable redress in line with what I would otherwise have ordered it to make to Mr S. I don't think it would be fair and reasonable to order it to pay for a new boiler – or to pay him any more compensation.

my final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint. I make no order against British Gas Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 30 November 2015.

Christopher Gilbert
ombudsman