

complaint

C Ltd complains that British Gas Insurance Limited's ("BG") records didn't accurately show it as the owner of five properties and that repair requests weren't accepted.

background

C Ltd is a company that owns five rental properties which I'll refer to as Flats 5A to 5E. It believed it had a central heating repair and maintenance policy with BG for each one, covering boiler and central heating repairs and an annual service. It says it's been paying premiums to BG since 2001 on this basis.

C Ltd says the tenants and managing agents of the properties had difficulty in getting work done by BG. Following enquiry, it appears that BG's records didn't show C Ltd as the owner of the properties. The policies were in the name of Mr T, a former employee of C Ltd. And it also says BG only had a record of four properties and not five, although it had paid premiums annually for five properties.

C Ltd says it raised this in a complaint to BG in 2012 and was assured that BG would amend its records. BG accepts that due to its error, this didn't happen, but confirms its records have now been corrected.

BG says it doesn't have any service records that go back before 2010 although it does have records of when the policies were taken out. These show five policies covering five properties, all taken out in 2006. It says it sent out annual service reminders to these properties each year, although these were addressed to Mr T at those properties. No annual service appointments were booked in response to these, so none of the properties apart from one had an annual service between 2010 and 2016. BG says that it's not wholly responsible for the lack of annual services as there is a responsibility on the customer to ensure that an annual service is booked. It also says that despite the policies not being in the name of C Ltd until this was eventually corrected in 2016, it would've honoured any call out request. It says it has attended the properties on a number of occasions since 2010 in response to call outs. It has offered C Ltd a refund of £1,260 which reflects the cost of an annual service on each property each year since 2010.

C Ltd says £1,260 is equivalent to one year's premium for five properties, and it's been paying for over 15 years. It says repeated requests were made to service the heating systems, and callout requests were made but not responded to because the policies were in Mr T's name and not in the name of C Ltd. It also says that because the heating systems haven't been maintained it has had to pay for damp and other treatment and repairs to the properties, although it hasn't provided any evidence of this. It doesn't think that £1,260 is enough, and has referred its complaint to this service.

Our adjudicator considered that the offer BG has made to C Ltd is fair and didn't recommend that BG does any more. C Ltd doesn't accept the adjudicator's opinion and has asked that its complaint be considered by an ombudsman.

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'm not going to uphold C Ltd's complaint and I'll explain why.

C Ltd refers to an email from BG of 2012 whose heading refers to only four policies. On the basis of this email it believes that it's been paying for five policies when BG's records show only four. I've seen screenshots of BG's records which show that policies were taken out for Flats 5A, 5B, 5C and 5E on 2 November 2006, and for Flat 5D on 27 November 2006. I've also seen records that BG visited each of the properties on various occasions between 2010 and 2016. So I'm satisfied that all five properties have been covered by a policy since 2006.

C Ltd also says that because BG's records wrongly showed Mr T as the policyholder, BG refused to do repairs under the policy when requested by the tenants or managing agents. But BG's records show that between 2010 and 2016 it attended each of the properties on various occasions to undertake repairs. So I'm satisfied that despite the fact that BG's records were incorrect in showing Mr T rather than C Ltd as the policyholder, BG was responding to requests for repairs under the policies.

BG acknowledges that apart from Flat 5B, none of the properties received an annual service from 2010 to 2016. I've seen letters addressed to Mr T at each property advising that an annual service visit was due and should be arranged with BG. C Ltd says that because these letters were wrongly addressed, based on BG's records, the annual services didn't take place. I agree with BG's view that it shouldn't be wholly responsible for the fact that no annual services were done as there should be some responsibility on tenants and managing agents to make arrangements with BG for an annual service.

Nevertheless BG has offered C Ltd a refund of £1,260. This represents the cost of the annual service for each of the five properties for five years. It's paid this sum to C Ltd's director, who has returned it to BG.

My opinion is that although BG's records were incorrect, and that it didn't correct them in 2012 when first contacted by C Ltd, BG hasn't failed in its service to C Ltd. All five properties have been covered by individual policies since 2006, and it's attended to do repairs if it's been able to gain access to the properties. So C Ltd has been receiving a service from BG under each of the policies. I haven't seen any evidence that any request for a repair made by a tenant or the managing agents has been ignored or rejected. I think that BG's offer to refund that part of the annual premium that relates to the annual service visits since 2010 is fair and reasonable in the circumstances, so I'm not going to ask it to do anything more.

my final decision

My final decision is that I'm not going to uphold C Ltd's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask C Ltd to accept or reject my decision before 24 October 2016.

Nigel Bremner
ombudsman