

complaint

Mr and Mrs O are unhappy with the offer made by British Gas Insurance Limited following a claim under their home emergency insurance policy.

background

Mr and Mrs O have a HomeCare insurance policy with British Gas. Under this policy British Gas carried out an annual service. During this service a British Gas engineer noticed that the boiler wasn't igniting correctly. The engineer stripped the pilot light down to clean it and couldn't reassemble it back because there was a leak on the pilot tube, and the part needed replacing.

A replacement part couldn't be sourced as the part is obsolete due to the boiler being 20 years old and on a reserved list. The manufacturer of the boiler suggested trying a part from another boiler, but this part couldn't be used as it wasn't suitable for this particular boiler. Without being able to source another part the boiler was left in an inoperable state, so the engineer capped it off from the gas supply.

British Gas, as a gesture of goodwill, offered Mr and Mrs O £500. In addition, it offered a £700 discount on a new boiler if sourced from British Gas. It also offered to install a free system filter as part of a new boiler install.

Mr and Mrs O were not happy with this offer so they complained to British Gas and then brought their complaint to this service.

Our investigator looked at this complaint and thought the offer made by British Gas was fair and reasonable based on the circumstances of the complaint.

Mr and Mrs O didn't agree with the investigator. They think the compensation offered isn't enough, 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.

I've decided not to uphold Mr and Mrs O's complaint and I'll explain why.

I understand Mr and Mrs O feel strongly that British Gas should make a higher offer because the boiler was working before the annual service and was left in an inoperable state after the service. They also say British Gas must believe they are at fault, because otherwise they wouldn't have made a financial offer of compensation. In addition, during the visit Mr and Mrs O say the engineer mentioned the replacement of the boiler being paid for by British Gas.

British Gas doesn't believe cleaning out the pilot light in normal circumstances would result in its failure. It says the component failed, not due to poor workmanship, but rather because it reached the end of its useful life as the boiler was 20 years old.

The engineer who performed the annual service noted in the paperwork three possible reasons that could've caused the leak on the pilot tube. The three reasons were '*possibly overtightened*', '*possibly age related*' and '*possible wear and tear when cleaning the pilot*'.

I've no way of knowing exactly what caused the part to fail. But, from visit logs provided by British Gas I can see that engineers during previous visits have advised on a new boiler quote which Mr and Mrs O have declined. This indicates they would've been aware their boiler was coming towards the end of its useful life, and that with time it would become more difficult to source parts due to age and parts becoming obsolete.

I know that Mr and Mrs O say that, during the annual service, the engineer mentioned the replacement of the boiler being paid for by British Gas. Looking at the terms and conditions of their HomeCare policy I can see British Gas would only provide a replacement if they couldn't repair the boiler. But for this to happen the boiler would have to be less than seven years old, or alternatively between seven and ten years old if it was originally installed by British Gas and covered by British Gas ever since.

So, British Gas isn't responsible for replacing the boiler under the terms and conditions of Mr and Mrs O's policy. And, even if the part failed due to British Gas' actions, I have to take into account the fact that Mr and Mrs O's boiler was over 20 years old. So, it wouldn't be fair to ask British Gas to pay for the cost of replacing the boiler – as this would leave Mr and Mrs O in a significantly better position than they were in before this happened.

British Gas took into consideration the inconvenience that was caused to Mr and Mrs O and, as a gesture of goodwill, offered £500. It also offered a £700 discount on a new boiler if sourced from British Gas and a free system filter as part of a new boiler install. When a business makes an offer of compensation this doesn't automatically mean it's admitting fault. Based on all of the above, I believe this offer is fair and reasonable to compensate Mr and Mrs O for the inconvenience caused, and I don't think British Gas needs to pay anything more.

my final decision

For the reasons set out above, I don't uphold Mr and Mrs O's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs O to accept or reject my decision before 7 September 2017.

Mike Kozbial
ombudsman