

complaint

Mr S is unhappy with what British Gas Insurance Limited (British Gas) did after the boiler in a property he owns failed an emissions test in January 2019.

background

Mr S has insurance with British Gas which covers repairs to the boiler in his rented property. In mid-January the boiler failed an emissions test which British Gas said was because of a problem with the flue. However, it said the parts for this were now obsolete. Mr S sourced the part at an approved supplier. British Gas then said Mr S could order this himself and it would reimburse the cost. Mr S said he couldn't do that because of difficulties in getting the part delivered. He also raised concerns about being given incorrect information by British Gas over whether scaffolding required to replace the flue would be covered under his policy.

Mr S didn't get a response to those queries and says he therefore had no choice but to arrange for the boiler to be replaced which he did on 30 January. He said British Gas should pay him the costs it would have incurred if it had carried out the work to his boiler. British Gas acknowledged Mr S had been given incorrect information about whether flue replacement was covered and the position on scaffolding. It also accepted there had been delays in responding to him. However, it didn't agree any compensation was due.

Our investigator thought there had been a number of failings by British Gas which had caused Mr S inconvenience. He thought it should pay £300 in recognition of this. British Gas didn't agree but didn't provide any further comment.

Mr S didn't agree either. He felt British Gas had tried to manipulate him into buying a new boiler and said he only had its word that the flue was the cause of the problem. He said if the parts for his boiler were obsolete British Gas had taken payment for insurance when it couldn't deliver on the contract. He continued to feel it should pay him the costs it would have incurred if the work to his boiler had been carried out. He said that was around £1,200. So I need to reach a final decision.

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 appreciate Mr S has found this a difficult and distressing experience and he's made a number of detailed points about what he feels British Gas got wrong and the reasons for that. However, while I have considered the issues he raised I don't think it's possible or appropriate for me to respond to each individual point. I've sought to focus on what seem to me to be the key issues.

Mr S has queried whether the flue was the cause of the problem with his boiler. As the boiler has now been replaced I don't see there's a way of confirming that - though as the boiler failed an emissions test it does seem plausible there was a problem with the flue. But it doesn't seem to be in dispute British Gas got things wrong after that. It provided inaccurate information about whether work to the flue and the cost of scaffolding would be covered. And it initially told Mr S the replacement part for his boiler was obsolete. That wasn't correct as Mr S was subsequently able to find the part at a British Gas approved supplier.

Mr S has said if British Gas wasn't able to provide insurance because the parts were obsolete then it wasn't providing the cover he'd paid for. However, his policy says "*We'll try to get parts from the original manufacturer or our approved suppliers. If we can't get hold of the parts we need we may need to cancel your agreement (or part of it) unless you're eligible for a replacement.*" So if parts aren't available the policy does allow British Gas to cancel it. But that isn't what happened here; the parts were available from an approved supplier. The issue is that British Gas wrongly suggested they weren't.

British Gas also suggested the relevant part could only have been ordered with a new boiler but that doesn't appear to be correct either. Our investigator contacted the supplier who told us it could only be ordered as an individual part and wouldn't be supplied with a new boiler. Given this was a British Gas approved supplier I think it would have been reasonable of British Gas to obtain the part itself rather than telling Mr S he'd need to do that. British Gas has also accepted there were delays in it responding to Mr S while he was waiting for his boiler to be repaired.

Mr S feels these issues were part of a deliberate attempt by British Gas to persuade him to buy a new boiler from it. I've not seen other evidence of that but, in any case, I don't need to determine that. It's not in dispute that, for whatever reason, British Gas got things wrong. And I agree with our investigator that this will have caused Mr S unnecessary inconvenience at a time when he was clearly concerned about the wellbeing of his tenants who were without a working boiler during the winter period.

But I don't think the right outcome is for British Gas to pay him what it would have cost to carry out the repairs. Where we find a business has got something wrong we'd look to put a complainant back in the position they'd have been but for the problem. In this case the costs Mr S has referenced aren't ones he's had to pay out so they aren't a loss to him. I appreciate he has paid for a new boiler but as his previous boiler was well over 25 years old replacement isn't something that's covered by his policy. And he and his tenants do now have the benefit of a new boiler (which Mr S has recognised himself). So I don't think that's something it would be appropriate for British Gas to reimburse him for either.

I think the loss to Mr S is the inconvenience caused by the delay and provision of inaccurate information by British Gas. I accept that will have caused him uncertainty about what the position was with the repairs and will have put him to some unnecessary trouble (for example in researching the costs of scaffolding). However, in considering fair compensation I've also taken into account the relatively short period these issues took place over which was around two weeks from mid January until the start of February. On balance I think the compensation our investigator recommended of £300 is the fair amount in this case.

my final decision

I've decided to uphold this complaint. British Gas Insurance Limited will need to pay Mr S £300.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 20 March 2020.

James Park
ombudsman