

complaint

Ms K's complaint is about the handling of a claim under her home emergency insurance policy with British Gas Insurance Limited.

background

In June 2014 Ms K was advised by British Gas to have a new boiler installed, as hers wasn't working. However, British Gas later confirmed that the boiler could have been repaired and she therefore didn't need to buy a new one. It therefore offered to reimburse the costs she paid for the new boiler £2,200. It also refunded the premium paid for the central heating cover, of £315.

However, Ms K doesn't accept its offer. She says that British Gas deliberately misled her, in order to get her to pay for expensive work. She says there were a number of occasions that British Gas engineers would attend but not complete the work they came out to do. On one occasion the tenant living in the property told the engineer that the electrics in the house were dangerous and so he refused to carry out any work, even though he was there to attend to a gas appliance. And British Gas told her that it would have to cancel the policy as it was unsafe for its engineers to attend but then it was prepared to come and install the boiler at great expense to her.

Ms K also wants some other costs reimbursed. She says that British Gas wouldn't install the new boiler until she had paid it to complete an electrical condition report at a cost of almost £306. The report identified some electrical work that needed to be done. She had this done privately for much less than British Gas quoted her. Ms K suggests that this work was only required because the boiler was replaced. Ms K also said that she had to compensate her tenants for the time when the boiler wasn't working. She also says that she had to visit the property several times and spent considerable time pursuing the complaint, which caused significant inconvenience and expense.

She wants a total of £3,200.

One of our adjudicators looked into the case. He didn't uphold it as he thought British Gas' offer was fair and reasonable in all the circumstances.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I'm pleased to note that British Gas offered to reimburse the cost of the new boiler and refund the premium for the central heating cover once it realised its error. This puts Ms K back in the position she would have been in financially and also compensates her for the inconvenience caused for the error in wrongly saying the boiler needed to be replaced. Ms K says that British Gas deliberately mis-led her but there is no independent evidence to support this.

Mrs K says that British Gas also made her pay for an electrical installation condition report before it would install the new boiler but the papers presented to me don't support this. Instead they show that the boiler couldn't be installed without an isolation valve, which her electricity supplier installed.

British Gas says it was asked to complete the electrical installation condition report as Ms K's tenant had reported some electrical problems but this was an entirely unrelated matter and none of these electrical issues were related to the boiler. I therefore don't consider that I can ask British Gas to reimburse this cost, as it wasn't payable as a result of its error in diagnosing what was wrong with the boiler.

The report identified some electrical work that needed to be done and which Ms K got another electrician to do. I can't comment on the price quoted by British Gas to do this, as I can only deal with the actions of British Gas in relation to the insurance policy. And I don't consider that the work was only necessary because of the need to replace the boiler. It follows that I don't think British Gas should compensate Ms K for any of the time or money spent in arranging other quotes for this work.

It seems that Ms K's tenant caused some issues, such as telling British Gas' engineer when he attended that it wasn't safe to enter due to electrical problems. Ms K thinks that the engineer should still have carried out the work they were called out to do. However, it doesn't seem unreasonable to me that when faced with this news the engineer chose not to enter.

Ms K also says that she was told the policy would be cancelled due to this. However, this isn't clear from the papers provided to me; and the policy wasn't cancelled. She also says that she had to compensate her tenants for being without heating and hot water while waiting for the boiler to be replaced. I don't have any independent evidence of this but in any event, there would have been some time without use of the boiler anyway, as a result of the original fault; and some work needed to be done before the boiler could be replaced. Therefore, it hasn't been proven that British Gas was responsible for all the time taken before the new boiler was installed.

In any event, it seems to me that the refund of the premium provides appropriate compensation for the mistake made by British Gas in saying incorrectly that the boiler needed to be replaced.

my final decision

I uphold Ms K's complaint against British Gas Insurance Limited. It should pay Ms K the sum of £2,200 and refund the premium for her insurance policy, £315, if it hasn't done so already.

Under the rules of the Financial Ombudsman Service, I am required to ask Ms K to accept or reject my decision before 9 November 2015

Harriet McCarthy
ombudsman