

complaint

Ms S complains that British Gas Insurance Limited is responsible for poor service in connection with a home emergency insurance policy.

background

Where I refer to British Gas, I refer to the insurance company of that name and I include engineers and others for whose actions I hold that company responsible.

Ms S had a property that she had let out to tenants at a monthly rent of about £700.00. She had British Gas HomeCare cover for the property.

On Friday 31 August 2018 the tenants had no hot water. Ms S contacted British Gas for help. After several visits, British Gas hadn't restored hot water.

The tenants consulted a third party engineer who did a report. The tenants paid the third party two equal amounts of £116.29.

After further visits from British Gas, Ms S got another company to replace the boiler on 11 and 12 September 2018. Ms S says that cost £2,575.00. The tenants had been without hot water for 11 days.

Ms S complained to British Gas. When they came to pay the rent in October 2018, the tenants made deductions including a deduction for the third party engineer's costs and a deduction for the cost of a night in a hotel.

British Gas sent a final response on 26 October 2018. It said it would credit Ms S's account with £31.58 and it sent her two cheques, one for £116.29 and one for £200.00.

Ms S brought her complaint to us on about 7 November 2018. On about 21 November 2018 British Gas sent her a second cheque for £116.29.

our investigator's opinion

Our investigator didn't recommend that the complaint should be upheld. She thought that, under the terms of the policy, British Gas wasn't liable for the hotel costs, reduction in rent and replacement for the new boiler. She thought the amount British Gas had offered Ms S is sufficient for the inconvenience it caused her.

my provisional decision

After considering all the evidence, I issued a provisional decision on this complaint to Ms S and to British Gas on 13 November 2019. I summarise my findings:

Ms S had to deal with more appointments and telephone calls than were reasonable and she had some difficult conversations with the tenants.

Overall I was minded that £200.00 was fair and reasonable compensation for such distress and inconvenience. And British Gas also sent cheques for £232.58 for the third party engineer and made a credit to her account of £31.58.

I expected British Gas to send Ms S a replacement for any cheque she can no longer present for payment. But otherwise I wasn't minded to find it fair and reasonable to direct British Gas to pay any more in response to this complaint.

Subject to any further information from Ms S or from British Gas, my provisional decision was that I wasn't minded to uphold this complaint. I didn't intend to direct British Gas to do any more in response to this complaint.

Ms S accepts the provisional decision. She says she looks forward to British Gas issuing new cheques. She is not pleased with the outcome, but she is glad this is now resolved.

British Gas hasn't responded to the provisional 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.

Ms S says her boiler was nine years old.

From 2014 to June to 2018 Ms S had cover only for the central heating boiler and controls (with an annual service). From 15 June 2018 Ms S also had cover for other parts of the central heating system, home electrics and plumbing and drainage (subject to an excess or fixed fee of £60.00 for each completed repair).

The policy terms included the following:

"Authority to carry out work

*If you're not at the **property** when our engineer visits, you must make sure that there is somebody else present who can give instructions to our engineer, on your behalf.*

...

Pre-existing faults

*Our **products** don't include cover for any faults or design faults that:*

- Were already there when your boiler, appliance or system was installed, or were caused by anybody other than us when any change or additions were made to your boiler, appliance or system*
- We've told you about before and you haven't fixed"*

From the British Gas file, I see that following the first call on Friday 31 August 2018, British Gas tried unsuccessfully to contact Ms S. I don't find British Gas responsible for any unreasonable delay before it visited on Sunday 2 September.

One of its gas engineers said that the fault was an electrical issue. From what happened later I think he was correct. On 4 September 2018 a British Gas electrical engineer visited and made the following note:

"SUPPLY FROM SPUR OK BOILER CONTROL WIRING FAULTY, ISOLATED BOILER AT SPUR"

I've seen a British Gas invoice for £60.00 following that visit. But I don't think there was any completed repair. So I think British Gas was right to cancel that invoice later.

British Gas visited twice on Thursday 6 September 2018. After the second visit a British Gas engineer made the following note:

“No power at boiler, fuse spur is fine, re wire required left al off AR”

From that, I find that British Gas had told the tenants the boiler needed re-wiring and he had left it switched off and categorised as “At Risk”.

I’ve seen a British Gas invoice for £60.00 following the visits on 6 September. But I don’t think there was any completed repair. So I think British Gas was right to cancel that invoice later.

From a call recording, I accept that on 6 September a British Gas supervisor told one of the tenants there had been a *“breakdown in communication”*.

On Friday 7 September 2018 there were further visits. A British Gas gas engineer made a note as follows:

“Replaced faulty 2 port valve and actuator but problems with main electrics electrician req”

A British Gas electrician made a note as follows:

“Reqs gas eng”

From that note, I think the electrician either thought there was a problem with the boiler or he thought it wasn’t his job to work on the wiring of its controls. I find that British Gas hadn’t got to grips with who needed to do what to solve the hot water problem.

On 7 September, the tenants contacted the third party engineer. He wrote a clear report with photographs. He considered the control wiring dangerous and he removed the main fuse.

From the emails I see that the tenants were undergoing fertility treatment. In the course of many visits, I find it likely that British Gas was told about that. I’ve seen evidence that – by 7 September – the tenants booked a hotel for the night of Sunday 9 September at a cost of £125.00.

I accept that, following the visits on Friday 7 September 2018, British Gas didn’t follow up.

But another company delivered and installed the new boiler on Monday 10 and Tuesday 11 September. So – by then - British Gas could no longer do repairs to the old boiler wiring and this was no longer an issue. And Ms S told British Gas about the new boiler when she complained on Thursday 13 September.

The unexpected cost of the new boiler left Ms S in a difficult financial position. But she had taken the decision that it was best to replace the old boiler. For that reason, I don’t find it fair and reasonable to direct British Gas to reimburse her for her card payment for the new boiler – or interest on it.

On about 3 October 2018 Ms S's tenants made deductions from their rent payments. They deducted slightly more than £232.58 for the third party engineer and they deducted £125.00 for the hotel. They also deducted rent for 11 days – £258.00.

In its final response letter British Gas said the repair engineers don't have to give quotes for upgrade work, but to do so would've been better service. I agree with that.

I've found some shortcomings in the service from British Gas. It could've communicated better and it made multiple inconclusive visits which must've caused some delay. I've thought about the effects of these shortcomings in terms of financial loss and distress and inconvenience.

I'm not persuaded that the tenants had any right to make deductions from the rent. So I can't say that British Gas caused Ms S a financial loss in that regard.

British Gas has sent cheques to Ms S for £232.58 for the third party engineer. I don't find it fair and reasonable to direct British Gas to pay Ms S compensation for any financial loss or to pay her interest.

As Ms S is the policy holder, I can only consider distress and inconvenience British Gas caused her personally by the shortcomings I've found.

No doubt she had to deal with more appointments and telephone calls than were reasonable and she had some difficult conversations with the tenants.

But overall I find that £200.00 was fair and reasonable compensation for such distress and inconvenience. And British Gas also sent cheques for £232.58 for the third party engineer and made a credit to her account of £31.58.

I expect British Gas to send Ms S a replacement for any cheque she can no longer present for payment. But otherwise I don't find it fair and reasonable to direct British Gas to pay any more in response to this complaint.

my final decision

For the reasons I have explained, my final decision is that I don't uphold this complaint. I don't direct British Gas Insurance Limited to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 16 January 2020.

Christopher Gilbert
ombudsman