

The complaint

Mrs F has complained about how British Gas Insurance Limited (British Gas) dealt with a claim under a home emergency policy.

What happened

Mrs F contacted British Gas to repair the gas pipework in her home. An engineer visited and found that Mrs F's property was a building site. The engineer left without completing the repair.

Mrs F complained to British Gas. British Gas spoke to Mrs F and said the policy would be cancelled as it couldn't carry out the repair due to third party work being carried out. It backdated the cancellation and refunded it to the start date of the policy.

Mrs F contacted this service about her complaint. Our investigator said British Gas didn't need to take any further action. She said it was reasonable that British Gas didn't carry out the work due to the condition of the property, including the boiler not being on the wall and no power at the property. She said British Gas could have better explained why it was cancelling the policy. But refunding the premiums back to the start of the policy was a fair outcome.

As Mrs F didn't agree, the complaint was referred to me.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I don't require British Gas to do anything further. I will explain why.

It's my understanding that there was a gas leak at Mrs F's property. Mrs F arranged for the immediate gas leak to be dealt with and the meter was capped. Following this, British Gas visited to restore the gas supply. Mrs F's home was in the process of being repaired due to a home insurance claim caused by a different issue. During the visit, British Gas said it would return when the kitchen had been removed and re-run the gas pipework.

A few months later, British Gas visited again to deal with the pipework. However, the engineer found that the boiler had been removed and a new one was going to be fitted. There was no power at the property and no water in the heating system. The engineer left and British Gas told Mrs F it had cancelled the policy because of third party work. It refunded the policy premiums back to the start of the policy.

While the complaint was with this service, British Gas reviewed why the policy was cancelled. It explained that the policy had been cancelled because there was no boiler installed at the property. It said its normal process was to cancel a policy where a new boiler had been installed and for a new policy to be taken out, if it could provide cover. It said Mrs F

wasn't able to claim under her policy and that it had backdated the refund as a gesture of goodwill.

I'm mindful that Mrs F's circumstances had changed since British Gas first visited. The previous boiler had been removed and a new one was in the process of being fitted. I'm aware Mrs F has said she didn't know her boiler was being changed as part of her home insurance claim. But that meant British Gas also didn't know this until its engineer visited. So, I think it was fair that British Gas reviewed whether it could provide cover and carry out a repair. There had been a change in circumstances that was relevant to the cover provided by the policy. However, I think British Gas provided Mrs F with inaccurate information when it cancelled the policy. So, I can understand Mrs F might have been confused or felt that British Gas' decision was unfair.

When British Gas cancelled the policy, it backdated the refund to the start date, which meant Mrs F was refunded £210.06. Looking at the policy terms and conditions, these said that where British Gas cancelled a policy, it would refund the rest of the time the policyholder had already paid for. So, payments already made for future cover. I'm also aware British Gas had visited Mrs F during the policy period. Thinking about this, I'm persuaded British Gas didn't need to refund the policy back to the start date and chose to provide a gesture of goodwill beyond what it was required to do.

I'm aware Mrs F has also said British Gas left her with a gas leak. It's my understanding that the initial gas leak had been dealt with and that the meter had been capped. British Gas had agreed to re-run the gas pipework to restore her gas supply. British Gas's engineer visited her home and found other people working at the property, including being in the process of fitting a new boiler. I've not seen evidence that British Gas left Mrs F or her property in immediate danger from a gas leak. I also haven't seen evidence that persuades me it was unreasonable that British Gas didn't carry out further work.

So, I've thought about whether British Gas's refund remains an appropriate response to the complaint and whether it should offer anything further. If British Gas hadn't offered anything, I would have said it should pay some compensation because it provided inaccurate information to Mrs F about why it cancelled the policy. But this would have been less than the amount British Gas refunded. I also wouldn't have told British Gas to refund the policy back to the start date. So, overall, I think the amount British Gas refunded to Mrs F was more than I would have required it to pay. As a result, I don't think British Gas needs to pay anything further, or take other action, in relation to this complaint.

My final decision

For the reasons I have given, it is my final decision that British Gas Insurance Limited doesn't need to do anything further in relation to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 29 February 2024.

Louise O'Sullivan
Ombudsman