

The complaint

Mr G complains that British Gas Services Limited didn't give him the insurance policy they promised when he switched his gas and electricity supply.

What happened

Mr G switched to British Gas for his gas and electricity supply in November 2018. He did so after going through a price comparison website. According to that website, if Mr G switched to British Gas, they'd give a free "HomeCare 100" home emergency insurance policy.

Mr G later found out that in fact, he had a "Boiler & Controls" policy with British Gas - despite the fact his on-line account appeared to show that he had "HomeCare 100" (which appears to be referred to as "HomeCare One" on some occasions).

When Mr G contacted British Gas to find out what had happened, he was told the two policies were the in effect same. They aren't. "HomeCare 100" includes an annual service free of charge, whilst Mr G's policy does not. Mr G's policy also has a £99 excess.

Mr G complained to British Gas. They apologised for misleading Mr G about the two policies and offered him £40 in compensation. They said they couldn't change the description of Mr G's policy on his on-line account for IT reasons, but said this made no material difference since both they and Mr G knew which policy he had.

Mr G wasn't happy with their response and complained to us. He says he remains concerned that British Gas are misrepresenting their offering to customers on price comparison websites and possibly inducing people to switch energy supplier by the false promise of a "HomeCare 100" policy.

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.

I can understand Mr G's frustration and annoyance. He's provided evidence to show he was promised the "HomeCare 100" policy through the comparison website. And it's apparent his on-line account suggests he has a different policy to the one he actually has.

That said, I have to ask Mr G to understand what our role is. We aren't the regulator for energy suppliers - that's OFGEM. Mr G hasn't told us he's complained to them, but if he hasn't he may wish to do so now. They are best-placed to deal with complaints about how suppliers provide energy services to customers.

Our role as an Alternative Dispute Resolution (ADR) service is to deal with individual complaints about financial products and activities. Again, we aren't the regulator - which is the Financial Conduct Authority (FCA).

So our focus has to be on what happened to the individual complainant and whether that was fair and reasonable or not. And if not, what the business must do to put right any loss or detriment the customer has suffered as a result of their mistake(s).

To sum it up, my focus in making this decision is on the financial product only - the home emergency insurance policy - and not the broader question of how British Gas market and provide energy services. And I have to look at what harm or loss befell Mr G - our individual complainant - not at how British Gas's activities might affect others.

I don't think there's any doubt in this case that British Gas misled Mr G about a financial product offered as part of a deal to switch his energy supply. They said on the comparison website that he'd get a "HomeCare 100" policy if he switched to them. And he didn't - he got an inferior product.

So I need to look at what loss or detriment Mr G suffered as a result of the misleading information on the website.

After he agreed on-line to switch energy suppliers, Mr G was sent a full set of terms and conditions by British Gas. These included a full description of the 'free' home emergency policy Mr G was to receive as part of the deal.

At that point it was - or should have been - absolutely clear to Mr G that he was being offered the "Boiler & Controls" policy and not "HomeCare 100".

And at that point, Mr G was free to cancel the agreement with British Gas and seek an alternative energy supplier. This was made very clear in the communication from British Gas.

Mr G says he didn't fully read the terms and conditions at that time - and only later realised he wasn't getting the policy he'd originally been promised. If he had read them - and the policy was such a key part of the deal for him - then he was free to cancel the arrangement and look elsewhere.

I can't hold British Gas responsible for Mr G not reading the terms in full. If he had read them and decided not to accept the deal, that would have been annoying and frustrating.

But the loss he'd have suffered was having to go back to the comparison website and select a different supplier. Time-consuming and, as I say, annoying, but the £40 in compensation Mr G has been offered by British Gas would in my view cover that degree of trouble and upset.

I admire Mr G's concern for other customers. And I completely understand how annoyed he is about being misled when he visited the comparison website.

But Mr G chose to stick with the switch of suppliers after he'd been given clear and comprehensive information about the services he was getting. He may not have chosen to do so in full knowledge of what was on offer, but if he chose not to read the terms, it was his choice (not British Gas's) to accept that risk. I can't hold British Gas responsible if Mr G is now tied to an energy supply deal that he may not want to continue.

Taking all that into account - and given the very specific role our service plays - I can't ask British Gas to do anything more than offer Mr G the £40 in compensation they've already offered. As I've already explained, Mr G may wish to take his broader complaint elsewhere.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 4 May 2020.

Neil Marshall
Ombudsman