

The complaint

Ms A complains that, without giving her any notice, British Gas Insurance Limited (“BGI”) cancelled an appointment under her home emergency insurance policy to repair a water leak, which caused her loss and inconvenience.

What happened

Ms A had a home emergency insurance policy with BGI in respect of a residential property which was let to a tenant. In July 2019 a water leak arose in the wash basin of the downstairs cloakroom. Ms A contacted BGI under her emergency policy and arranged an appointment on a specific day between 1.00 pm and 6.00 pm.

At 2.00 pm on the day of the appointment Ms A phoned BGI to ask if it could say more specifically when its plumber would arrive. BGI told Ms A that the appointment had been cancelled. Another appointment was arranged for four days later, when the necessary repair was completed.

Ms A complained to BGI. She said that because BGI failed to tell her in advance the appointment had been cancelled, she had to take two days off work instead of one – as did the tenant also. So they had both lost wages. She also had travel costs to and from the property on both occasions.

BGI apologised for its poor customer service in cancelling the first appointment and not communicating this to Ms A. It said it wouldn’t reimburse her for loss of earnings, but offered £20 as an apology for failing to attend as agreed. Ms A said she thought £100 was appropriate compensation. BGI didn’t agree. It said:

- it was Ms A’s, and the tenant’s, choice to be present when the plumber called;
- its agent had tried to phone Ms A during the morning of the first appointment to tell her there was a problem, but couldn’t make contact;
- Ms A said she had taken half a day’s annual leave to meet its engineer. But most people were paid for such leave;
- BGI had no contractual relationship with the tenant so could only consider compensation in respect of Ms A;
- the cancellation was due to an increase in emergency related faults; and
- it thought compensation of £20 was fair and in line with payments it would normally award for this type of issue.

Our investigator recommended that this complaint should be upheld. He agreed as the policy was in the name of Ms A, he could only consider the impact on her, not the tenant. He said Ms A phoned BGI to ask when the plumber was likely to arrive. If she hadn’t, he didn’t think BGI would have made her aware that the appointment had been cancelled.

He didn’t think BGI took sufficient steps to tell Ms A her appointment had been cancelled. She had to take additional time off work as well as pay for travel. He thought it was wrong of

BGI to assume Ms A would be paid for the extra time off; self-employed people didn't have this facility. So he recommended that BGI increase its compensation to £100.

BGI responded to say, in summary, that:

- it wasn't sure why Ms A needed to be present as well as her tenant;
- its agent had tried to call Ms A on the morning of the appointment. But Ms A's phone didn't have voicemail so it couldn't leave a message. It couldn't say if its agent would have tried to call Ms A further if she hadn't rung BGI. Ms A had said it should have sent a text, but it didn't have this facility;
- within an hour into the scheduled time slot Ms A was aware it had been cancelled;
- as Ms A chose to be present during the plumber's visit, she would have to have travelled on at least one occasion. So any compensation should only reflect one journey to the property, and one afternoon away from work;
- to minimise further inconvenience the replacement visit was timed for a narrower time slot; and
- £20 reflected the level of compensation it was accustomed to make in situations such as this. Ms A hadn't told BGI she was self-employed, or suggested she had further losses or expenses. So it thought it had acted reasonably in offering £20 and wouldn't increase this offer.

Ms A responded to these comments to say, in summary, that:

- she wanted to be present during the visit because, amongst other reasons, the tenant had only recently moved into the property, and English wasn't their first language;
- she was self-employed. She had cancelled all her appointments for the time slot between 1.00pm and 6.00 pm on the afternoon of the visit. By the time she was told the visit was cancelled, she couldn't reinstate them at short notice. So her afternoon was wasted and she suffered financial loss;
- to reach the property she had taken a minicab, the cost of which alone was more than the £20 BGI had offered;
- because of the continuing leak, a bucket had to be placed under the wash basin and emptied regularly night and day. Because of the cancellation, this had to be done by the tenant for a further 4 days; and
- she quoted evidence that British Gas, as an energy supplier, had been required by its regulator Ofgem to pay its customers £30 for a missed or delayed appointment, and a further £30 if this wasn't paid within 10 working days.

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.

BGI's terms and conditions for its home emergency policy contain the following provision:

“Reasonable timescales

We'll carry out any repairs or visits you're entitled to within a reasonable time, unless something beyond our control makes that impossible – in which case we'll let you know as soon as possible and give you another time when we can visit.”

In this case BGI says it was pressure of other emergency calls that required it to cancel the arranged appointment. I haven't seen any evidence of what these were, or when BGI or its agent decided that Ms A's appointment would have to be cancelled.

The agent made one phone call at 10.00 am on the morning of the visit, which was scheduled for between 1.00 pm and 6.00 pm. Contact with Ms A wasn't made, but neither BGI nor the agent seems to have made any further attempt to contact her. She only found out the visit had been cancelled when she rang BGI at 2.00pm.

Like the investigator, I don't think BGI did enough to meet its obligations under the policy terms and conditions to notify Ms A of the cancelled visit as soon as possible. I think it should have made further attempts to contact her. She only found out because she took the initiative and phoned BGI.

Ms A has explained why she wanted to attend the visit, and I don't think this was unreasonable of her. She has explained that she is self-employed and the cancelled visit meant she incurred a wasted minicab fare, she cancelled business appointments unnecessarily, and so lost business earnings.

Ms A hasn't quantified her lost earnings, which in a self-employed business can be difficult to do. However, I accept she is likely to have suffered some financial loss because of her wasted afternoon.

Although she and her tenant suffered inconvenience because the leak continued for a further 4 days, I can't say BGI should compensate Ms A for this. The terms and conditions provide that a visit may have to be cancelled, and if BGI had followed the terms and conditions and notified her promptly, this inconvenience would still have occurred.

Ms A has mentioned the compensation provisions for missed or delayed appointments that Ofgen has required British Gas to follow in respect of its energy supply business. However, BGI is a separate company from British Gas, and isn't regulated by Ofgen. So these provisions aren't directly relevant to this complaint.

Putting things right

We consider every complaint that is brought to us individually. Where we think poor customer service by a business means compensation is appropriate, we assess this on the basis of the individual circumstances of the complaint.

In this case I think BGI should have done more to try to contact Ms A earlier when it became apparent her appointment would have to be cancelled. In the event, she had a wasted minicab journey and some business loss. All in all, I think it's reasonable for BGI to pay her £100 compensation for the distress and inconvenience it caused her, inclusive of the £20 it has already offered.

My final decision

My decision is that I uphold this complaint, and order British Gas Insurance Limited to pay Ms A £100 compensation for the distress and inconvenience it caused her, inclusive of the £20 it has already offered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 2 January 2020.

Lennox Towers

Ombudsman