

The complaint

Mr C is unhappy about how British Gas Insurance Limited dealt with a claim under his home emergency policy.

What happened

Mr C contacted British Gas because part of his heating system wouldn't turn off and was operating continually. Mr C was given an appointment for a date three weeks later, as British Gas said it wasn't an emergency. On the day of the appointment, Mr C waited at home for the engineer. The engineer didn't arrive and when Mr C contacted British Gas, he was told the engineer would still attend. However, he was later told that the engineer wouldn't be able to make the appointment. Mr C was offered a new appointment for 10 days later and £10 compensation. Mr C didn't accept the new appointment date and asked to be contacted by a manager. A manager didn't contact him. Mr C then arranged a new appointment for a couple of weeks later.

Mr C complained to British Gas and asked for his insurance premium to be refunded. When British Gas replied, it said that it had provided poor service but the boiler issue had now been fixed. It said it wouldn't refund the premium.

Mr C complained to this service. Our investigator upheld the complaint about the boiler. He said that the appointment had taken place beyond a reasonable timeframe and that his original appointment was cancelled very late, after Mr C had waited at home for the engineer. He said that British Gas should pay £150 compensation for the distress and inconvenience caused. The investigator didn't uphold the part of the complaint about the insurance renewal premium, as he didn't identify any issues with how it was calculated.

British Gas did not agree with the amount of compensation but increased its offer of compensation to £40. Mr C declined this, so the complaint has been 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.

British Gas accepted that it could have provided a better service when Mr C contacted it for an engineer to attend. When our investigator looking at this case, British Gas increased its offer of compensation to £40, but thought that £150 was too high. So, I've thought about what I think is an appropriate amount of compensation in the circumstances.

I've read the policy documents. These said:

"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."

Mr C's issue with his boiler wasn't classified as an emergency because he had heating and hot water. British Gas prioritised more urgent cases, such as someone not having any heating or hot water. So, British Gas gave Mr C the first available non-emergency appointment, which was about three weeks after he reported the issue. I don't think that was unreasonable, although I do think it was a fairly lengthy wait for an appointment.

Mr C waited at home on the day of the appointment. When the engineer didn't arrive, Mr C phoned British Gas and was told that the engineer would still be coming. However, he was later told that the engineer wasn't able to make the appointment. I can see that this would have caused Mr C inconvenience. He stayed at home for the appointment in the reasonable expectation that it would happen and even had that confirmed on the day. However, the engineer then didn't arrive.

British Gas offered an appointment for a couple of weeks later, which Mr C declined. I'm aware that even if that appointment had taken place, Mr C's heating would have been stuck on for over four weeks because of British Gas's inability to arrange and attend an appointment any sooner. I don't think an appointment over four weeks after the initial call was "*within a reasonable time*" and it also meant that Mr C was using more energy as a result of the boiler not being repaired due to British Gas's failure to attend the first appointment. In my view, that also caused inconvenience to Mr C.

Mr C asked to speak to a manager and told that he would receive a phone call. This didn't happen. British Gas described this as a "*broken promise*", which I agree with. But I think it was more than that. Mr C wanted to speak to a manager about getting his boiler fixed, so this was directly relevant to trying to get his claim resolved. Mr C's expectation was built up that a manager would phone him and I don't think Mr C was provided with a satisfactory explanation for why this didn't happen, which will have added to the distress and inconvenience caused by this case.

I'm aware that Mr C was also concerned about how long British Gas took to respond to his complaint because it took over eight weeks to reply. However, complaint handling isn't a regulated activity, so this isn't something that we can look at. So, I won't be commenting on this.

Mr C said that he was also unhappy about his insurance premiums continuing to increase each year and that he could get the policy cheaper as a new customer. The amount that a business charges for a product is a commercial decision based on a range of factors. We can't tell them how much to charge, but we can look at whether the way the premium was calculated was in line with its policies and procedures.

I've looked at how Mr C's renewal premium was calculated and have seen the range of factors it was based on. In my view, I haven't seen anything that makes me think that there was an issue with how the premium was calculated or that Mr C was incorrectly charged. I've also seen evidence that Mr C was sent a renewal notice in advance of the policy renewing, which gave him the opportunity to decide if he wanted to renew on the terms offered.

So, thinking about this complaint as a whole, I uphold it in part. This is because I think that there were a number of issues with how Mr C's claim was handled. He waited at home for an engineer that didn't arrive. He had his expectation built up on the day that the engineer would still attend. But this then didn't happen. He also had his expectation built up that a manager would phone him. But this also didn't happen. I think that the second appointment that Mr C was offered was beyond a "*reasonable time*", even though I accept that British Gas had other cases to deal with that it might have thought more urgent, and that this would also have caused Mr C inconvenience, including because he would have used more energy as a

result. However, I don't uphold the part about the premium as I haven't seen any issues with how it was calculated.

Putting things right

I've thought about what British Gas should do as a result of this. I think that British Gas should pay Mr C £150 to reflect the distress and inconvenience caused to Mr C by the way it dealt with his claim.

My final decision

For the reasons I have given, it is my final decision that the complaint is upheld in part. This is because I think there were a number of issues with how Mr C's claim was handled. But, I don't uphold the part about the insurance premium.

As a result, I require British Gas Insurance Limited to:

- Pay Mr C £150 compensation for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 2 December 2020.

Louise O'Sullivan
Ombudsman