

The complaint

Mrs O complains British Gas Insurance Limited failed to attend her home emergency within a reasonable time and mis-sold her home emergency insurance policy. She's also unhappy with the service she got when she phoned British Gas for the emergency call-out.

What happened

Mrs O took out a home emergency insurance policy online with British Gas in December 2018 and renewed the policy in December 2019.

On 5 January 2020, Mrs O and her husband woke up to find they and their family had no hot water. They contacted British Gas to arrange an emergency call-out. British Gas told them the earliest available appointment in their area was 8 January. Mrs O didn't think this was a reasonable timeframe. And she says British Gas's telephone advisers were unhelpful and rude. So Mrs O cancelled the policy and complained to British Gas.

British Gas accepted Mrs O was asked to wait longer than it would've hoped for to get an appointment. But it said it had to prioritise more vulnerable households at busy times. British Gas offered Mrs O £50 in compensation for its delay in getting her an appointment. And it apologised for the way in which it had handled Mr and Mrs O's calls.

Unhappy with this outcome, Mrs O brought her complaint to us. She said the timescale she was offered for an appointment wasn't reasonable. And she said she'd seen no documentation from British Gas to say more vulnerable households would be prioritised, so she says she was mis-sold the cover. She would like all her premiums refunded, plus interest and compensation for hurt feelings and severe inconvenience.

In my provisional decision of 18 January 2021, I explained why I intended to uphold part of Mrs O's complaint. In response, Mrs O has said she has nothing to add, while British Gas disagrees with my findings.

Mrs O's complaint has now come to me for a final decision.

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've decided to uphold part of Mrs O's complaint for the reasons I gave in my provisional decision.

In my provisional decision, I said I'd look at Mrs O's complaint in three parts, as follows:

“Appointment time

For this part of Mrs O's complaint, I've looked at her home emergency insurance policy. This says British Gas will carry out any visits Mrs O is entitled to "within a reasonable time". The policy doesn't say what "reasonable" means.

When British Gas responded to Mrs O's complaint it said its dispatch team has to prioritise engineers' workload on a daily basis. It said the highest priority is given to retired people or those with a serious illness who have no heating or hot water, people just out of hospital, and households who have babies under six months old.

But British Gas also accepted Mrs O didn't get the level of service it expects to offer its customers. And because of this delayed appointment time, it offered Mrs O £50 in compensation.

I think it was right of British Gas to accept the appointment it offered Mrs O didn't give her the level of service it (or she) expected under her home emergency insurance policy. But, based on what I've seen so far, I don't think its offer of £50 compensation for this delay is fair and reasonable.

I accept from what British Gas says it was under pressure at the time with call-outs from what it describes as higher priority emergencies in Mrs O's area. But the fact remains that Mrs O and her family – which she says included two young children – would most likely have been without hot water for around three days in the middle of winter if Mrs O had waited for British Gas to fix her hot water problem. It's clear this was a distressing and inconvenient situation for Mrs O. She was clearly upset that her emergency wasn't being treated as she'd expected. And so it's my current intention to uphold Mrs O's complaint on this point and award her an additional £50 in compensation (on top of the compensation of £50 I believe British Gas has already paid her) for the distress and inconvenience its delay in getting her an appointment caused her.

Call handling

Mrs O says when she contacted British Gas to arrange a call-out, its telephone advisers were extremely unhelpful and rude. She says one of them ended a call when her husband asked to speak to a manager.

When British Gas responded to Mrs O's complaint about this, it said this had been passed to the relevant team leaders to give feedback. And British Gas said it was sorry for the way these calls were handled.

Our investigator asked British Gas for its call recordings but it says they'd been archived. This is unfortunate – and obviously means we can't hear how British Gas handled its calls with Mr and Mrs O. But it seems clear from British Gas's response to Mrs O's complaint that it accepts it did something wrong here. And, in the circumstances Mrs O has described and British Gas has accepted, I don't think British Gas's apology alone is fair and reasonable. So it's my current intention to uphold Mrs O's complaint on this point and award her £50 in compensation for the distress British Gas's acknowledged poor call handling has caused her.

But, before I finish on this point, I should also say that not making call recordings available to us isn't something we can punish British Gas for, as Mrs O suggests we should. That's not our role – it's something only the regulator (the Financial Conduct Authority) can look at.

Sale

Mrs O says she was mis-sold her policies. She makes the specific point she was never told only families with babies under six months old would get priority – which, as I've mentioned, is something British Gas referred to as being a reason for the delay in giving Mrs O an appointment.

When Mrs O bought her home emergency cover, British Gas was under a duty to give her enough clear information about the policy's main terms and conditions for her to be able to make an informed choice about whether or not she wanted to go ahead and buy it.

Mrs O bought the policy online in December 2018 (and renewed it in December 2019). British Gas has given us a screen shot from 2018 showing Mrs O could've clicked a link to look at the policy terms and conditions if she'd wanted to before she applied for the policy. British Gas also says policy documents would've been posted to Mrs O with her welcome letter in 2018 and her renewal letter in 2019 (although Mrs O says she didn't get them). And Mrs O also had the right to cancel the policy within 14 days without penalty if she changed her mind about it.

As I've already said, the policy says British Gas will carry out visits a customer is entitled to within a reasonable time. It doesn't give specific time-frames for responding to call-outs. For operational reasons I can understand that, especially at busy times, British Gas prioritises its response based on its assessment of the vulnerability of the customers requesting emergency call-outs. But this isn't a term of the policy and there's nothing in the policy to say, for example, that only families with babies under six months old are entitled to emergency cover.

I understand that Mrs O's experience of trying to claim on her home emergency cover – and not having her expectations met – has led her to conclude that she was mis-sold the cover. But from the evidence I've seen so far, there's nothing to suggest she was misled at the time she bought it. It follows that I don't uphold Mrs O's complaint on this point."

Mrs O has said she doesn't have anything to add to my provisional decision but is still disappointed with how British Gas has treated her.

British Gas says it doesn't guarantee to get an engineer out within a certain timescale. It thinks three days for an engineer to attend Mrs O's call-out was reasonable. So it doesn't think Mrs O should get any further compensation.

But British Gas has already paid Mrs O £50 because it accepts it didn't give her the level of service it expected. And in my provisional decision I explained why I thought additional compensation of £50 was fair and reasonable for the distress and inconvenience this had caused Mrs O.

On its calls with Mrs O, British Gas says it would apologise if any customer felt it had done something wrong, even if it hadn't. It says there's no evidence the calls weren't handled correctly. So, again, it doesn't think it should pay Mrs O further compensation.

As I said in my provisional decision, it's unfortunate British Gas hasn't been able to give us the call recordings. It means British Gas can't show me it didn't do anything wrong. And Mrs O has said from the start she was treated rudely. In these circumstances, I don't think an award of £50 in compensation for British Gas' call handling is unfair or unreasonable. In conclusion, British Gas' comments don't change my provisional findings, which now form part of this final decision.

Putting things right

I direct British Gas to put things right for Mrs O by paying her compensation of £100. This comprises an additional £50 in compensation for the distress and inconvenience its delay in getting her an emergency appointment caused her and £50 in compensation for the distress its call handling caused her.

My final decision

For the reasons I've given, I uphold Mrs O's complaint in part and direct British Gas Insurance Limited to put things right as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O to accept or reject my decision before 25 March 2021.

Jane Gallacher
Ombudsman