

The complaint

Ms S complains that British Gas Insurance Limited (“British Gas”)– the insurer of her home emergency insurance – hadn’t carried out an annual service on her boiler for 28 months.

What happened

Ms S has “HomeCare Two – Boiler, controls and central heating cover including an annual service” with British Gas. British Gas serviced Ms S’s boiler in respect of her 2017-2018 policy year in August 2018. But hadn’t serviced Ms S’s boiler since then which Ms S complained about in April 2020. And because of this and another matter, British Gas waived Ms S’s remaining premium for her 2019-2020 policy year of £129.10.

Ms S booked her annual service for her 2019-2020 policy year during September 2020 and in October 2020, cancelled her cover. British Gas said it would still carry out the service she’d booked which was due to take place on the 5 November 2020.

Ms S said she’d received a confirmation text on 2 November 2020 that the engineer would attend on 5 November 2020 between 8am and 1pm. She said British Gas then called her at around 9.55am saying it needed to cancel her appointment. Ms S said she asked the call handler to find out why and the call handler agreed to call Ms S back at midday. Ms S says she never received a call. Ms S then received two texts on 5 November 2020 from around 12pm saying the engineer was on schedule and would contact her when Ms S was the next appointment. Ms S received another text at 12.30pm saying the engineer might be late. The engineer didn’t arrive so Ms S called British Gas and complained. She told British Gas she’d moved furniture in preparation for the service and had hurt her knee in doing so. British Gas rearranged the appointment for 3 December 2020. Ms S received a text the following day confirming that an engineer would attend on 3 December 2020 between 12pm and 6pm.

A few days later, Ms S says British Gas called her about her complaint. Ms S says British Gas told her it had no idea why the contractor never came or why she’d received two text messages saying the engineer was on his way. British Gas agreed to pay Ms S £85 compensation and to put a note on its system saying that her rescheduled appointment wasn’t to be cancelled.

On 3 December 2020, when the re-arranged visit was due to the place, Ms S received a text at about 7.30am confirming that the engineer would visit between 12pm and 6pm. At about 5pm, Ms S says she called British Gas because no-one had arrived and British Gas said the engineer had until 6pm to attend. At around 5.30pm, Ms S said she received two texts saying the engineer might be later than 6pm. But the engineer never arrived.

The following day, Ms S contacted British Gas to complain about the second missed appointment. She said all correspondence should be emailed to her. She asked British Gas to add her new email address to its systems, which it said it couldn’t do because she no longer had an active account.

British Gas said, a few days later, it spoke to Ms S about the missed appointment and that Ms S declined its offer to rebook her service.

Ms S brought her complaint to us. She was not only concerned that her boiler hadn't been serviced for 28 months, but also that she'd now need to pay an engineer to carry out a service and fix any damage which she couldn't afford. She was concerned about the safety of her boiler and had no other way of getting hot water and heating into her home should the boiler fail. She said that British Gas' poor service was causing her worry and stress. Ms S told us she wanted compensation from British Gas. Ms S also told us British Gas closed complaints made just after the cancelled November 2020 appointment before she felt it should have and before the rescheduled service had actually taken place.

British Gas told us that the terms and conditions of Ms S's policy are that no cash will be offered to customers in lieu of annual services and that it felt it had fulfilled the terms of Ms S's contract because it had covered her for home emergencies. British Gas said it had suffered a backlog because of Covid-19 which was exacerbated later due to the time of the year. But it said Ms S's terms and conditions state that where there is high demand (i.e. during cold weather) British Gas may need to prioritise breakdowns and vulnerable customers. It also said annual services can be more than 12 months apart.

British Gas told us that the 3 December 2020 service had been assigned to a contractor, but that the contractor instead tried to carry out the service on 15 December 2020 but couldn't locate the property or make contact with Ms S. British Gas told us it wasn't sure why the agent attended on 15 December 2020 and not on the 3 December 2020. British Gas said it felt the £85 Ms S had been sent for her November 2020 appointment and the £129.10 discount she'd received on her cover totalling £214.10 could be used to offset the cost of Ms S arranging her own engineer.

Ms S advised us that her boiler had been examined and no issues were found. But felt she should still be compensated for British Gas' poor service and her time.

Our investigator upheld Ms S's complaint and said Ms S should be given a further £80 compensation in addition to what British Gas had already paid her. But Ms S said she didn't feel this was enough given British Gas' poor service. She said she'd told British Gas numerous times that she wanted postal correspondence rather than operating her account online and that it takes 90 minutes to make an appointment with British Gas on the phone. She says she told British Gas she feels vulnerable and that she had constant worries about her boiler breaking down because it runs all of her heating and hot water. Ms S felt £350 compensation would be more appropriate given British Gas' poor service. Ms S also said she'd made her own enquiries with the third parties British Gas used to arrange and carry out its services, which she thought showed British Gas was "*lying*" about why the appointments didn't take place.

In May 2020, British Gas sent Ms S a cheque for £65, which Ms S contacted us about because she was unhappy it wasn't for the amount our investigator had set out in her view. British Gas told us that the cheque had been automatically issued because Ms S hadn't received her 2019-2020 service.

After I'd considered all the available evidence to decide what's fair and reasonable in the circumstances of this complaint, I reached a different outcome to our investigator. Because the outcome was different, I issued a provisional decision giving both parties a further chance to comment on my findings ahead of issuing my final decision.

My provisional decision

My provisional decision was that I was minded to uphold Ms S's complaint by requiring British Gas to pay Ms S a further £120 in addition to the £65 and £85 it had already offered her.

I explained my provisional findings to both parties as follows:

Ms S has raised additional points with this service about the pricing of her cover. I understand that these are being considered separately to her complaint points about her boiler services.

Ms S has also said now she believes she was "being ripped off" when she took out the initial cover in October 2014. I can't see that this matter has been raised with British Gas. If Ms S wants us to pursue this matter further, she'll need to raise it with British Gas first. Ms S says British Gas hadn't serviced her boiler for 28 months and I can see that the last time British Gas serviced her boiler was in August 2018, which was the service due to her under the terms of the cover for her 2017-2018 policy year.

I can see as well that British Gas didn't carry out a service for her 2018-2019 policy year. But that that in April 2020, British Gas reduced Ms S's annual premium for the following policy year by £129.40 in recognition that she'd not had her boiler serviced since 2018 and because it failed to apply a discount it had agreed to make to her annual premium of £309.89 a few weeks earlier. Ms S accepted this compensation, so I can't say British Gas have acted unfairly by not also carrying out a service for her 2018-2019 policy year in addition to the compensation.

In her view, our investigator considered whether Ms S received the reminders to book her services. If Ms S hadn't received the reminders for her 2018-2019 service, the effect would perhaps have been that she may not have booked it. But British Gas has already awarded her compensation for her missed 2018-2019 service. And Ms S did manage to book her 2019-2020 service.

I've considered whether British Gas treated Ms S fairly and reasonably in relation to the service due to her under the terms of her policy wording for her 2019-2020 policy year.

Ms S says either British Gas or the third parties it uses to carry out its services isn't being honest about why her two visits never happened. And I can see this is something Ms S feels very strongly about. It's not my role to assess the adequacy of a business's internal procedures and decide whether or not it operates them as it should. This is the role of the Financial Conduct Authority. But what I can decide is whether it was fair and reasonable for British Gas to have cancelled Ms S's November 2020 appointment and fail to attend her December 2020 appointment. And whether it was then reasonable for Ms S to refuse British Gas' offer of a third appointment, so she didn't receive the service she was entitled to under the terms of her 2019-2020 policy wording.

Ms S's policy terms for the 2019-2020 policy year say that:

"In periods of local or national high demand for our services (such as cold weather), we prioritise breakdowns and may need to rearrange your annual service" and that "We'll carry out any ...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".

It's not unreasonable for British Gas to need to cancel services at short notice because of emergencies. And I can't see that there weren't any particular issues with Ms S's boiler on

the day of the service which would've meant her visit should've been prioritised as an emergency. So I don't think British Gas acted unfairly by cancelling her appointment on 5 November 2020.

But British Gas sent Ms S text messages on 5 November 2020 after it had called to cancel her appointment saying that the engineer would be arriving. It's reasonable that Ms S would have found this confusing. So I think it's fair and reasonable that Ms S is compensated for the distress and inconvenience its poor service here caused her.

British Gas said that backlogs caused by Covid-19 and cold weather impacted on its ability to carry out Ms S's rescheduled service on 3 December 2020. But the terms of Ms S's policy say that British Gas will let her know if it needs to cancel a visit. British Gas didn't let Ms S know and in fact led her to believe throughout the day and into the evening of 3 December 2020 that the visit would take place. So I think Ms S should be awarded compensation for the trouble and upset this caused her, especially given that - by this time - British Gas knew she had an injured knee and would need to move furniture to accommodate the visit and it'd provided Ms S with assurances that the 3 December 2020 appointment wouldn't be cancelled.

British Gas' terms and conditions state that if it can't attend a visit it will arrange another time when it can visit. I can see British Gas tried to arrange a third appointment with Ms S. But - given her knee and that two earlier appointments hadn't gone ahead- I can't say Ms S was being unreasonable in declining it and finding another company to carry out her annual service. And because I think it's not unreasonable for Ms S to have declined BG's offer of a third appointment, I think it's reasonable British Gas compensate her for not receiving her annual service for her 2019-2020 policy year.

British Gas said it arranged another appointment for 15 December 2020. But this was after Ms S had declined British Gas' offer to reschedule the 3 December 2020 appointment. Ms S says she didn't accept the appointment. So I don't think this appointment is material to Ms S's distress and inconvenience here because she wouldn't have waited in for it.

Ms S also told us that British Gas held an incorrect email address and had told us BG wanted her to go "paperless" but that she didn't want to operate her account online. But I can see from Ms S's diary log that she received a number of letters from British Gas - including a letter saying that it had experienced trouble contacting her by email and her renewal documents for her 2019-2020 policy year. Also, a business is free to decide whether it wants to operate through online channels and I've not seen any evidence to suggest that Ms S suffered vulnerabilities that would make her unable to operate her account with British Gas online. So I can't say on balance that British Gas have acted unreasonably here.

I intend to uphold Ms S's complaint. But I am minded to award her more compensation than the amount set out in our investigator's view.

Ms S accepted a reduction in her 2019-2020 annual premium as compensation for British Gas not carrying out her 2018-2019 service. So it wouldn't be fair for me to award Ms S further compensation for her 2018-2019 service.

British Gas says it already sent Ms S a cheque for £65 in May of this year because it didn't carry out her 2019-2020 service, which I think is fair because - as I've already said above - I think it was reasonable for Ms S to find another company to carry out her 2019-2020 service. But I don't think the additional £85 British Gas has already paid Ms S is enough to compensate her for the distress and inconvenience its poor service in relation to her 2019-2020 service caused her.

British Gas told us that it wrote to Ms S in August and September 2020 to remind her to book her 2019-2020 service appointment. So I don't think it was unreasonable that Ms S didn't book her appointment until after the second reminder and towards the end of her 2019-2020 policy year - especially when British Gas said services couldn't have been carried out for some of 2020 because of Covid-19. And because British Gas booked the appointment, it's not unreasonable for her to have expected to receive her 2019-2020 service.

British Gas said that Covid-19 caused backlogs which affected it being able to attend Ms S's service visits. But I don't think it communicated with Ms S as well as it could have on the days of her appointments. British Gas sent Ms S conflicting and confusing communications on the day of her November 2020 appointment causing her to wait in for an engineer when she didn't need to. And it failed to tell Ms S on the day of her December 2020 appointment that the engineer wouldn't be attending after she'd waited in all day and instead led her to believe the appointment would still go ahead. So I think Ms S should receive more than the £85 compensation British Gas says it has already paid her.

So I am minded to award Ms S a further £120 in addition to the £65 and £85 amounts British Gas says it has already paid Ms S. So her total compensation would be £270. I appreciate this isn't as much compensation as Ms S was seeking, but I think is fair and reasonable given the missed 2019-2020 service, poor communication and the other incidences of poor service Ms S felt she'd received.

Responses to my provisional decision

British Gas has accepted my provisional decision.

Ms S hadn't provided a response by the date I'd requested one in my provisional decision. So I asked our investigator to contact Ms S to ask her to confirm whether or not she wanted to provide a response. Ms S confirmed that she would.

In her response, Ms S said she said she didn't think I'd considered all of the information she'd sent this service. In particular, she mentioned her reply to an email we'd sent to her on 19 October 2021.

Ms S also included a letter with her response, which her covering email said set out all of her concerns. But the letter appeared unfinished. So our investigator asked Ms S on 17 November 2021 to provide the letter in full by 23 November 2021. But we've not received it.

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 have also considered the responses of both parties to my provisional decision.

British Gas have accepted the findings of my provisional decision with no further comment, information or arguments.

Ms S didn't think I'd considered all of the information she'd sent this service. As I've said above, I've considered all the available evidence we've received from Ms S held on file. And Ms S's response doesn't specify which information she feels I haven't considered.

Ms S's response mentioned her reply to an email we sent her on 19 October 2021. But I can't see that this service emailed her on 19 October 2021. Or that we received any emails from Ms S during October 2021.

We've not received a copy of Ms S's letter in its entirety, despite giving Ms S a reasonable timeframe within which to provide it. It's been almost a month from the date by which I'd asked for responses to my provisional decision. So I think it's reasonable now for me to give both parties my final decision based on the information Ms S has provided so far.

The information Ms S has provided in her response hasn't persuaded me to depart from my provisional findings. So I shall be upholding Ms S's complaint in line with my provisional decision.

My final decision

I uphold Ms S's complaint.

I instruct British Gas Insurance Limited to pay Ms S a total of £270 compensation for the distress and inconvenience it has caused her. British Gas Insurance Limited is free to deduct the £85 and £65 compensation payments it has already offered Ms S from this amount if these payments have already been paid into Ms S's bank account.

British Gas Insurance Limited must pay the compensation within 28 days of the date on which we tell it Ms S accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 4 January 2022.

Ruth Peek
Ombudsman