

The complaint

Mr C complained about the standard of service he received from British Gas Insurance Limited ("British Gas") under his home emergency policy.

What happened

One evening in February 2021, Mr C identified a radiator was leaking in his bedroom when his carpet was "soaking wet". Mr C made a claim to British Gas under his policy in order to get an engineer dispatched to fix the leak. He first tried to access the emergency service via telephone, but through an automated service was only able to secure an appointment for ten days later. Mr C also tried to access the service via live chat but was offered an appointment for two weeks later.

Mr C used his own initiative and switched all the radiator valves off and the central heating. He said he "then spent a bitterly cold night constantly checking the flooded area hoping that I had at least prevented the situation getting worse". He said he felt fearful for his life, so the next morning he took the initiative again to arrange a plumber to investigate and fix the leak at his own cost.

British Gas refunded the cost of the third-party repairs less the £60 excess on Mr C's policy (with British Gas). It also offered £50 compensation for inconvenience caused. However, Mr C wasn't happy, he wanted his annual premium refunded.

Our investigator decided to uphold the complaint. She thought British Gas was fair in refunding the repairs less the excess, but she increased the compensation for distress and inconvenience by £50 as she didn't think British Gas had considered Mr C's vulnerability. Mr C disagreed, so the case has been referred to an ombudsman.

My provisional decision

I issue a provisional decision on this on 18 October 2021. I said:

"British Gas said 'we provided a total of £50 to cover the call wait times and the fact that Mr C had to source a third party to complete the repairs. We do not guarantee to attend customers properties within certain timescales, just that we will attend within a 'reasonable timescale'. We therefore offered our winter contingency scheme and you are correct that that was what the repairs were reimbursed to Mr C under. Overall, I still believe that we have handled the complaint fairly and that the goodwill gesture fairly reflects this. Even if we had engineer availability at the time, there is no guarantee we could have attended in day, meaning Mr C could have potentially been without heating / hot water overnight anyway".

I have considered Mr C's personal circumstances. Mr C is a vulnerable customer because he's elderly. British Gas should've known this from Mr C's personal policy details and from answers he provided on the live chat. I don't think British Gas did enough to identify Mr C as a vulnerable customer. This resulted in Mr C been provided with a standard of service that wasn't reasonable in his circumstances.

Mr C has told our service that he's held a home emergency policy for several years. He said, "the reason for taking out this contract was to avoid the possibility of being unable to cope or deal with an emergency". Mr C took out the policy to be reassured that if he had a home emergency, his issues would get resolved quickly and without any inconvenience.

British Gas were unable to support Mr C when he needed its help most. Knowing Mr C was vulnerable, I think it should've done more when he raised his claim. Unfortunately, he wasn't treated as a priority, instead he was given an appointment two weeks later. This wasn't satisfactory. If it wasn't for Mr C taking the initiative he could've been left suffering in the cold for two weeks. British Gas said there was no guarantee it could have attended in a day, but I think as a vulnerable customer it should've treated him as a priority.

I don't think British Gas' response was reasonable. It said it triggered its "winter contingency". This isn't a clear process that is set out in its terms and conditions, it's an internal process that British Gas implements when it doesn't have the capacity to offer a service to its customers in the winter months when demand is high. "Winter contingency" is where British Gas allows customers to source their own contractors and it refunds the costs.

However, in this complaint, British Gas did this retrospectively after Mr C had already acted. It hadn't intervened to deal with Mr C as a vulnerable customer and explained the options open to him. It only acted in this way because Mr C raised a complaint. Therefore, I don't think British Gas' actions were reasonable in these circumstances.

Mr C has asked for a refund of his premiums. I don't think it's unfair British Gas has refused this, as Mr C didn't cancel his policy and he was potentially benefitting from the policy if he suffered further problems at his home.

However, I don't think British Gas has been fair in its award to Mr C. I don't think British Gas should've deducted the £60 excess for Mr C sourcing his own plumber as it only applied its winter contingency retrospectively. It hadn't informed Mr C at the time of the winter contingency and had only offered an appointment ten days later which wasn't satisfactory in Mr C's circumstances. British Gas said the terms and conditions said it could respond in a "reasonable timeframe". I don't think it did do this. Therefore, I intend for the excess to be refunded. I think this is fair.

I don't think British Gas has fairly compensated for distress and inconvenience. It hasn't provided the service to Mr C that he has paid for. He valued the security this policy was meant to provide. I think the distress for Mr C would've been greater because of his circumstances and I think the inconvenience during the night of the incident and in sourcing his own plumber would've been greater for him. Therefore, I uphold this complaint. I intend to award a further £150 compensation for this additional distress and inconvenience".

Responses to my provisional decision

British Gas accepted my findings and didn't have anything more to add.

Mr C accepted my findings and didn't have anything more to add.

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.

Given neither party has provided any new information, I see no reason to change my provisional decision.

My final decision

My final decision is that I uphold this complaint. I require British Gas Insurance Limited to pay Mr C:

- £60 – refund for the excess that was stopped
- £150 – compensation for distress and inconvenience (in addition to the £50 offered by British Gas)

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 14 December 2021.

Pete Averill
Ombudsman