

The complaint

Miss M complains about British Gas Insurance Limited (BG) handling of her claim under her home emergency policy.

What happened

Miss M had a tenanted property and contacted BG as there were issues with the boiler. BG sent an engineer. Miss M's tenant said that during the visit, the engineer asked her to go to the shops to buy parts for the repair, which she did.

Miss M said that the engineer then left having purported to fix the issue. But the issue hadn't been fixed. Miss M contacted BG to raise a complaint and to tell it that the engineer had asked the tenant to buy parts, which wasn't the tenants responsibility. Miss M also asked BG to ensure that the same engineer wasn't re-sent.

BG apologised for this and explained that this shouldn't have happened. It booked for another engineer visit. When the engineer re-attended, it was the same engineer who had previously attended. So, Miss M raised a further complaint.

In its final response, BG apologised for its handling of the claim. It reimbursed Miss M £11 for the items that had been purchased, it waived the call out charge of £60 and also offered a gesture of goodwill of £70.

Miss M remained unhappy with this outcome and as she had been given her referral rights, referred a complaint to our service. One of our investigators considered the complaint and thought it should be upheld. He said that the claim handling was poor, that Miss M would have been caused distress and inconvenience. And BG ought to increase the level of compensation by a further £50, making a total of £120.

Miss M accepted the view, BG did not. It said that it had accepted that there were poor service issues, but that it had offered around £130 in compensation, this was made up of £60 waiver of the excess fee and £70 goodwill gesture, which was fair. It said that if it paid a further £50, this would take the level of compensation to £180, which wasn't fair. It also reimbursed Miss M the £11 for the items purchased. So, it asked for a decision from an ombudsman.

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 considered the complaint, and I thought the complaint shouldn't be upheld. I issued a provisional decision on 6 April 2023 and asked both parties to send me anything else by 4 May 2023. In my provisional decision I said:

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of the complaint.

Having done so, I'm minded not to uphold this complaint. I understand that this is likely to be a disappointment to Miss M, but I hope my provisional findings explain why I think this is fair.

I have considered all the comments from both parties. I think the main issue of this complaint is whether the offer of compensation from BG is fair, given the impact on Miss M.

BG accepted that there were poor service issues during the claim. These included Miss M's tenant having to purchase items, on the instruction of its engineer, while the engineer remained at the property. It also meant that the tenant was inconvenienced as I understand they worked from home.

The further error that was made and BG accept, was for BG to have re-sent the same engineer to the property the second time, given that the boiler issues persisted. Miss M also said that she had to take some effort in chasing BG for a resolution.

I'm pleased to see that BG has recognised the errors in service that it made. I now need to consider the actual impact of those errors on Miss M. And in particular the level of compensation offered by BG and whether, this was fair in the circumstances.

I note that Miss M said that the property was a tenanted property. And that it was her tenant who ultimately was affected by the poor service. I should also point out that the home emergency policy was between Miss M and BG. So, when we look at compensation, we look at the parties to the policy, namely Miss M and BG. As the tenant isn't a party to the policy compensation wouldn't be awarded to them. Further, when looking at the impact, the impact is assessed on the direct impact on Miss M and not the tenant.

Whilst I accept that there were service issues and that Miss M was deeply unimpressed with how BG handled her claim, I can't agree that the direct impact on Miss M was more than just minimal. I must also say any claim of this nature, is going to involve a homeowner in some inconvenience. But here I think the inconvenience that Miss M directly suffered from was having to chase BG. Something, I'm pleased that BG has recognised.

Turning to the compensation offered by BG. It reimbursed Miss M the cost of the items purchased at £11. It also waived the call out charge of £60. I note from the policy that each call out is chargeable and I think the waiver of the excess charge was fair in the circumstances, especially as the engineer didn't fix the issue on the first occasion.

BG also offered £70 as a gesture of goodwill. This it said was in recognition of the poor service. As I've mentioned before, I don't think the impact on Miss M was more than just minimal and would justify an award of £120 compensation. I understand that Miss M was hoping for more compensation for the trouble and upset caused. But I've taken all of her detailed comments into account in reaching my decision and when assessing the impact on her directly. Given the amount currently offered by BG, which I think is fair and reasonable, I won't be recommending that the offer is further increased.

Responses to my provisional decision

Miss M said that although she was disappointed with the outcome, she accepted the provisional decision. She understood that the decision was based on facts but believed that it was a unique situation, that our service didn't deal with on a daily basis, as it could've been much more serious.

BG had nothing further to add to the provisional decision.

I do understand that the outcome is not as Miss W would've liked, but I've considered all comments made by both parties and I think that the outcome reached is both fair and reasonable. For these reasons, my final decision will be the same as my provisional decision.

My final decision

For the reasons given, I don't uphold Miss M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 25 May 2023.

Ayisha Savage
Ombudsman