

complaint

Mr and Mrs L complain that British Gas Insurance Limited mishandled their home care insurance policy.

background

Mr and Mrs L had an annual policy. They complained after British Gas told them the proposed premium from December 2014.

The adjudicator didn't recommend that the complaint should be upheld. He thought that there was no evidence that the insurer treated Mr and Mrs L differently to its other customers.

Mr and Mrs L disagree with the adjudicator's opinion. They say, in summary, that – in its pricing - British Gas didn't properly apply its published criteria including the history of breakdowns and call-outs.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mr and Mrs L have referred to a British Gas policy booklet including the following:

“At the end of your Period of Agreement and at the end of each subsequent year, the price of your Agreement may change. This can be because of general Inflation and/or because we have more detailed and accurate Information on your boiler, system or appliances, as well as your breakdown history, meaning the price we charge when your Agreement renews will be tailored to you”

The information which British Gas might take into account in assessing a renewal premium includes, for example, the following factors:

- the age of the boiler
- the number of radiators
- the geographical location of the system.

But - in the context of an annual insurance policy - the assessment of risk may change from one year to the next.

From the information British Gas provided to the adjudicator, I haven't seen any evidence that it took into account any incorrect information about, for example the breakdown history or the energy efficiency of Mr and Mrs L's system.

I accept that British Gas made a legitimate commercial decision about the level of premium including discount.

I haven't seen any evidence that this process was unfair to Mr and Mrs L compared to other customers in the same situation.

I accept Mr and Mrs L's statement that they didn't receive (until recently) the British Gas email in February or the final response in April (enclosing a copy of the leaflet about our service). But I find it more likely than not that British Gas sent them.

The final response was late. But British Gas paid £30 for that. I think that was fair and reasonable in line with what I might otherwise have ordered it to pay for the trouble and upset the delay caused Mr and Mrs L.

Overall I don't think it would be fair and reasonable for me to order British Gas to make any further redress to Mr and Mrs L.

my final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint. I make no order against British Gas Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs L to accept or reject my decision before 19 November 2015.

Christopher Gilbert
ombudsman