

complaint

Mr P's complaint arises from the handling of several central heating insurance policies with British Gas Insurance Limited.

background

Mr P has five policies with British Gas covering five different properties. He has held these policies for several years. An annual service of the boiler is included as part of the cover provided under each policy. However, Mr P has complained as the annual services were not apparently carried out every year for every policy.

British Gas says it would normally send out reminders for customers to call and book the annual service but for some unknown reason, reminders were not sent out every year for every one of Mr P's properties, so some services were missed.

British Gas says that Mr P could have also contacted it to arrange the services but has agreed to refund the part of the premium which covered the cost of the annual service for each relevant policy year, since 2009 (which is when its policies became a regulated financial product).

Initially British Gas put this at £375 but after the complaint was referred to us and after it carried out some further investigation, it confirms that there were 12 missed services in total, since 2009, across the five properties. It says the part of the premium for these services would be £649. British Gas also offered £50 compensation to Mr P for the trouble caused.

One of our investigators looked into the matter. He thought the refund offered was reasonable as there was no evidence of any further missed services. He also recommended that British Gas pay a total of £200 compensation.

Neither party accepts the investigator's assessment, so the matter has been referred to me.

British Gas says its previous offer is fair and reasonable and does not agree that any additional compensation is warranted. Mr P says that he should be paid considerably more compensation. He also says British Gas has continuously lied to him, as it told him it didn't have the information going back to 2009. Mr P also says he thinks there were many more missed services. Mr P also asked that we punish British Gas for failing to respond to the complaint and delays.

my findings

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

British Gas's normal practice is to send up to three reminders to customers to book the annual service for the boiler covered under each policy. It failed to do so for some of Mr P's properties in some of the years he held cover. As it said, Mr P could also have contacted it but as he was receiving reminders for some properties, I can understand why he may have been relying on the reminders before contacting British Gas.

In any case, I am satisfied its offer to refund the relevant part of each premium is reasonable. It has provided evidence that 12 services were missed and this would mean a refund of £649.

Mr P says he thinks there are more, including pre 2009. As the investigator explained, we can only consider what happened since 2009 when these policies became regulated. There's no evidence that any further services were missed since 2009 and so I am satisfied that the amount offered by British Gas is reasonable.

Mr P has asked for more compensation and has said the amount recommend by the investigator is an insult. I agree with the investigator that some additional compensation is warranted. British Gas didn't identify all the missed services until after the complaint was with us and if it had investigated properly when Mr P first raised his concerns, it would have saved some considerable distress and inconvenience. However, there were no issues with the boilers and no evidence that there was any detriment caused by the missed the services. The investigator explained that we cannot punish British Gas in the way Mr P would like. We can only award compensation that is commensurate with the trouble caused to a consumer. I consider that the £200 recommended is reasonable in all the circumstances.

my final decision

I uphold this complaint against British gas Insurance Limited and require it to pay Mr P:

- a refund of premium of £649; and
- £200 compensation for the distress and inconvenience caused by its handling of his policies.
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Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 4 November 2019.

Harriet McCarthy
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