

# MP: FCA should investigate British Gas for broken 'homecare' insurance terms



## Stockport MP 'deeply concerned by dangerous precedent' for customers

Stockport MP 'deeply concerned by dangerous precedent' after Centrica provoke industrial action which results in customers' insurance cover not being honoured – as backlog exceeds 100,000

British Gas parent company Centrica is facing calls for a Financial Conduct Authority (FCA) investigation after provoking a strike that has left its 'HomeCare' customers without cover.



A high number of households have been disrupted by the dispute so far and GMB understands those waiting for service number more than 100,000 across the country.

Stockport MP Navendu Mishra [has this week written to the FCA](#) calling for an investigation into Centrica for “engineering an employment situation which results in the insurance cover that customers purchased in good faith not being honoured.”

“ After five days of [@GMB\\_Union](#) strike action at [@BritishGas](#), I have written to the FCA to ask them to investigate whether the company is meeting its obligations to customers. [@BritishGas](#)' out of control CEO is letting the company and my constituents down. [#StopTheBritishGasFire](#) [pic.twitter.com/egJ76EC7JS](#)

— Navendu Mishra (@NavPMishra) [January 13, 2021](#)

It coincides with the national dispute as thousands of GMB members at British Gas [set from January 20th](#) to take further strike action over the company's threats to fire and rehire its workforce.

The MP calls on the FCA to use its powers under the Financial Services Act to investigate Centrica's failure to provide customers with cover during the period and the question of whether the possibility of industrial action was adequately conveyed by the company to consumers when it sold them the insurance.

Despite the employer's threat to 'fire and rehire' workers who did not accept the inferior terms and conditions, 86 per cent of GMB members voted in early December to reject the company's proposal. [89 per cent of members](#) subsequently voted to take industrial action.

“ I am deeply concerned by the dangerous precedent being set by Centrica as an insurance provider engineering an employment situation which results in the cover that customers purchased in good faith not being honoured.

### Navendu Mishra, Labour MP for Stockport

[Centrica reported](#) an operating profit (before exceptional items and tax) of £901 million in 2019. The operating profitability of its UK home heating business rose by 27 per cent in the first six months of 2020.



**Navendu Mishra, Labour MP for Stockport, said:**

"I am deeply concerned by the dangerous precedent being set by Centrica as an insurance provider engineering an employment situation which results in the cover that customers purchased in good faith not being honoured.

"The FCA has powers under the Financial Services Act to investigate Centrica's failure to fulfil its insurance obligations. It should use them to uncover the number of customers, including my constituents, who will be left without protection and clarify whether the possibility of industrial action was adequately conveyed to consumers when it sold them the insurance.

"Centrica needs to be held accountable for the way it has treated its staff and its customers."

**66** A post shared by GMB Union (@gmbunion)

**Justin Bowden, GMB National Secretary, said:**

"British Gas has let its customers down. There is now a huge backlog of jobs not done. This backlog will not be cleared anytime soon, and it will grow with strikes running into next month.

"It was Centrica who provoked this dispute by threatening to fire and rehire their entire British Gas workforce, despite making close to a billion pounds in operating profit.

"It's only right that they now face questions from the regulator about their management failings that have betrayed loyal customers and dedicated staff alike.

"Instead of lashing out at its own workforce, who overwhelmingly rejected his plan and voted to take strike action, CEO Chris O'Shea should look closer to home; stop threatening to fire the entire engineer workforce and enter constructive discussions with GMB."

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**Press office**

079859 1525698

[press.office@gmb.org.uk](mailto:press.office@gmb.org.uk)

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[info@gmb.org.uk](mailto:info@gmb.org.uk)

