Why do I need to know this?
The Financial Conduct Authority regulates all financial firms providing services to consumers to ensure that they operate to a high standard of conduct and that they treat customers fairly. One of the requirements of the Financial Conduct Authority is that companies are open about the type of payments that they receive for selling insurance products to avoid any potential conflicts of interest.

What is the commission payment for?
British Gas Services Limited receives commission when selling or renewing insurance products to cover the costs of running the business. Here are some examples of what the commission covers:

• Salary and ongoing training costs of UK based staff to answer customer calls, manage enquiries, handle callout enquiries, book appointments and handle complaints
• Printing and postage costs of terms and condition booklets, customer quotes, welcome letters and renewal letters
• The costs of maintaining British Gas Services Limited resources including property and vehicles
• Costs of maintaining safe and secure computer systems and web facilities, along with data protection measures needed to manage and fulfill insurance policies
• Costs relating to the ongoing development and safety of British Gas Services engineers
• Costs of research and development into new products and new ways of evolving existing products
• Costs of advertising and marketing insurance products

Tell me more…?
Commission paid by British Gas Insurance Limited to British Gas Services Limited is included within the quoted price and is not an additional charge paid by the customer. Other elements that make up this overall price are things such as the cost of attending and repairing breakdowns and attending annual service visits, paying Insurance Premium Tax and making a modest profit margin.

The amount of commission varies from customer to customer depending on the number and type of products held and any offers or discounts provided to a customer. As a consequence, the precise amount is not straightforward to calculate but is designed to support a high quality of customer service. Overall prices are monitored closely to ensure that our insurance products continue to offer value for money and are priced competitively.