

The complaint

Mr P complains (through his son) that British Gas Insurance Limited is responsible for poor service in connection with a home emergency insurance policy.

What happened

Where I refer to British Gas I refer to the insurance company of that name and I include other companies and individuals insofar as I hold that insurance company responsible for their actions.

In mid- November 2018 Mr P took out British Gas policies on two properties. He cancelled one of them but the other continued.

A year later in November 2019, Mr P's son complained that British Gas had taken £510.00 for another year's cover.

British Gas refunded the £510.00 and cancelled the policy. In February 2020 Mr P's son complained that British Gas hadn't responded to his complaint.

On 20 February 2020 British Gas sent a final response letter. Unhappy with that response, Mr P brought his complaint to us later that month.

Our investigator didn't recommend that the complaint should be upheld. He thought that British Gas had returned the money without delay. He said we couldn't investigate how British Gas handled the complaint and the service provided over that time.

Mr P and his son disagreed with the investigator's opinion. Mr P's son asked for an ombudsman to review the complaint. He says, in summary, that:

- He is his father's carer. He dealt with the sales call (on load speaker so his father could hear). British Gas mis-sold the policy. At the point of sale British Gas didn't tell them it was an annual automatic renewal policy. There's absolutely no way they would've agreed to this.
- The policy wasn't received in the post.
- This wasn't the only letter that wasn't received from British Gas.
- His father is terminally ill and during this entire process he was undergoing very intense treatment.
- The unexpected deduction of a large amount of money caused his father extreme distress.
- He had to go through a lengthy conversation with someone from the retention team who wanted to try and haggle the price before cancelling the policy.

- British Gas misleadingly made it appear that it had listened to the call. It later admitted that the call would no longer be held on file.
- We should recommend a letter of apology from British Gas.

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.

The policy terms included the following:

“Renewals

*We'll write to you at least 25 days before your **agreement** is due for renewal. If you pay by Direct Debit... we'll keep renewing your agreement automatically, until you ask us to stop.”*

Mr P paid by direct debit. So the policy terms provided that the policy would automatically renew.

British Gas says it didn't keep the recording of the sales call. But I find it likely that it worked to a procedure that included a mention of automatic renewal.

In any event British Gas wrote two welcome letters dated 15 November 2018. Each of them confirmed that there would be automatic renewal. Each of them contains the direct debit guarantee.

I find it likely that British Gas posted these letters. I'm satisfied that was enough - even if Mr P didn't receive them for some reason such as a problem with the post.

I've seen a copy of a renewal letter dated 9 October 2019. That was more than a month before the renewal date. So I find that it was in line with the policy term quoted above.

I find it likely that British Gas posted that letter. I'm satisfied that was enough - even if Mr P didn't receive it for some reason such as a problem with the post.

After Mr P's son complained, British Gas refunded the £510.00 and cancelled the policy. I accept his statement that British Gas tried to keep Mr P as a customer by offering a better price.

I'm satisfied that British Gas had renewed the policy in line with its terms and fairly. But in any event it acted promptly to cancel and refund. So I don't find it fair and reasonable to direct it to pay compensation for Mr P's distress.

British Gas didn't return calls or communicate with Mr P's son as well as it should've done. Its final response included the following:

“During the call information is provided including payments and the direct debit guarantee.”

That sounded as though it had a call recording – which it said it hadn't. But I consider that British Gas was describing its telephone sales procedure.

In any event I can't say that British Gas should've handled the complaint differently.

My final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct British Gas Insurance Limited to do anything further in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 10 August 2020.

Christopher Gilbert
Ombudsman