

The complaint

Mrs C complains about the cancellation of her HomeCare policy by British Gas Insurance Limited.

What happened

In January 2021 Mrs C took out a new HomeCare policy with British Gas online. Soon after she made an appointment to have her first service for her boiler. The appointment was postponed a number of times between February and March 2021 until she was notified by British Gas that they would be cancelling her policy. Mrs C wasn't happy so complained to British Gas saying she had been led to believe she had cover for her boiler.

British Gas said they wrote to her in July 2018 to advise that they would no longer carry out any further paid work for her or provide her with any additional HomeCare products, so this was the reason they cancelled the policy. Mrs C said that as she was allowed to book an engineer to carry out a service she had been accepted for the cover and so by cancelling the policy British Gas had left her in a vulnerable position. So she referred the complaint to our service.

Our investigator looked into the issues and didn't uphold the complaint. She said it was a commercial decision for British Gas to make as to who they wanted as their customers. And she felt British Gas had clearly written to Mrs C in July 2018 about not providing her with additional policies, so she didn't think British Gas did anything wrong.

Mrs C disagreed, she said the issues from 2018 had been resolved and she had a HomeCare policy until June 2020. Mrs C also said she hadn't taken her policy out online but had called the head office to take it out.

Our investigator considered the further points made by Mrs C, but these didn't change her view. She said the policy that expired in 2020 wasn't a HomeCare policy for her boiler and related to a guarantee for electrical care which had been ongoing since 2015. So it wasn't a new policy she'd taken out after British Gas's letter of July 2018. Because Mrs C still didn't agree she asked for the case to be decided by an ombudsman.

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.

To be clear I am only looking at the complaint issues concerning the HomeCare policy taken out in January 2021. I note Mrs C has raised a number of issues around her treatment by British Gas dating back a number of years, but here I am only considering if British Gas acted unfairly in cancelling this policy and not any previous actions between the parties.

Having done so I've reached the same conclusions as the investigator for largely the same reasons. It's clear from what Mrs C has told us she feels very strongly about her complaint. I appreciate that she's upset that British Gas didn't carry out the service to her boiler and

cancelled the policy. But for me to uphold this complaint, I must be satisfied that British Gas did something wrong. And in this case, I don't think they have. I'll explain why in more detail below.

It's generally for businesses to decide whether or not they want to provide, or to continue to provide, insurance services to any particular customer. Unless there's a very good reason to do so, this service won't usually say that a business must keep a customer or require it to compensate a customer for deciding it no longer wishes to continue with their relationship. As long as they reach their decisions about that in a legitimate manner, this service won't usually intervene. I'm satisfied here that British Gas's decision to stop providing Mrs C with HomeCare products was reached reasonably and fairly.

Mrs C says it was unfair of British Gas to give her a policy and take her monthly premiums if they weren't willing to provide her with the service. I've thought about this and from the evidence given to us it seems the policy was taken online, although this is disputed by Mrs C. Where evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in the light of the available evidence and the wider circumstances.

British Gas have provided us with their internal screenshots showing how the policy was inceptioned and this shows it was taken out online so without any persuasive evidence to the contrary I'm persuaded this is how it was likely taken out.

It's likely that the process of taking out a policy online would have been automated and British Gas have said the automated system wouldn't have picked up that Mrs C shouldn't have been provided a HomeCare policy. They said it was only picked up manually when one of their engineers was booked to do the boiler service and he'd recognised the address was one they shouldn't be going to. So I don't think it acted unreasonably with the delay in cancelling the policy.

I have considered the letter sent to Mrs C in July 2018 and it's clear from this that British Gas say they would no longer be willing to provide any additional HomeCare products. In the letter they have explained their reasons as I would have expected them to do.

I understand how strongly Mrs C feels about how she's been treated, and she's been frustrated by what's happened. I realise she will be disappointed with my decision, but I do think Mrs C should reasonably have known that she was prohibited from taking a policy with British Gas for the reasons they stated in their letter of July 2018. And I can see they refunded Mrs C for the premiums they'd taken so I can't say British Gas acted unreasonably or treated Mrs C unfairly.

Mrs C has raised various other points in relation to her interactions with British Gas but as mentioned above what I'm looking at here is the points in relation to this specific complaint. So while I've read and understood what she has said, I haven't commented on all of her points as I don't think some of them are relevant to this complaint.

My final decision

For the reasons I've explained I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 16 December 2021.

Jag Dhuphar

Ombudsman