

The complaint

Mr O is complaining about the service he received from British Gas Services Limited (BG).

What happened

Mr O took out a HomeCare Four policy with BG in January 2021. He had an issue with his boiler in February 2021 and again in March 2021. An engineer visited his home on both occasions (two faults were logged on the one visit in March 2021), and Mr O was charged excess payments of £60 for these visits. During the March visit Mr O raised concerns with his “Hive” system and I can see there was another visit in July 2021.

Throughout this time there was much confusion around Mr O’s account. He was charged an incorrect excess, and his policy was cancelled and then reinstated. He was sent cheques and then told not to cash them. He discovered his name had been spelt incorrectly, and it transpired that BG had been communicating with Mr O via an incorrect email address, and he never received any of this correspondence. Mr O was also very concerned about his energy costs, as they had risen, and he felt this was due to the running of the “Hive” system.

So, Mr O complained. BG wrote to Mr O and explained what had happened. It asked Mr O to submit evidence of his increased energy usage. Mr O remained unsatisfied, so he brought a complaint to our service.

When the complaint came to this service, BG offered to pay Mr O £80 for the inconvenience its errors had caused. One of our investigators reviewed the complaint and recommended that BG increase its inconvenience award to £150.

BG disagreed and asked for an ombudsman’s decision.

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.

Having done so, I’m upholding this complaint. I’ll explain why.

Firstly, please note I can’t comment on the alleged increase in energy use complained about by Mr O. Our investigator has sent Mr O details for an alternative ombudsman service to which he can complain.

Secondly, there was a large amount of correspondence on this file. I’ve read and taken into account all of the information provided by both parties, in reaching my decision. If I’ve not reflected something that’s been said in this decision it’s not because I didn’t see it, it’s because I didn’t deem it relevant to the crux of the complaint. This isn’t intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is.

Administration

- Mr O's name was spelt incorrectly, and his email address was wrong. BG has sent us a screen shot, showing the errors and the date the name was amended – 8 March 2021. BG say this was a creation error. BG say the policy was set up online and was set up using the name and email address Mr O provided.
- But Mr O says he took this policy out via a phone call. Mr O says he's never signed up to anything online ever. In fact, he's told us he doesn't have a smartphone or a tablet and he manually controls the "Hive" system.
- I appreciate BG's screenshot could suggest this policy was taken out online. But it could also suggest the details were given via a telephone call and filled in by BG.
- Having listened to the calls Mr O has had with our service, I think its more likely than not this policy was taken out via telephone. Mr O only has an email address because he needs one. He has requested that we write to him via post. He submitted his complaint to us via post. Mr O is elderly and has been very open with us about how he prefers using telephone and post. So, I'm satisfied he more likely than not took the policy out over the telephone and the administration errors relating to his name and email address were not made by him.

Payments

- I appreciate that BG uses an automated system that will generate correspondence as next steps for what's missing or what's required from a consumer. But this system can get very complicated if not used correctly when a consumer uses the more traditional methods of communication such as letter or cheque.
- It's clear that BG's system was generating correspondence that was being sent to Mr O, even though he had already carried out the actions required such as paying bills. This in turn caused much confusion, as there were instances where Mr O had sent a cheque, but there was a delay in receiving it via post and logging it, which in turn meant he was receiving unnecessary debt collection letters which added to his distress.
- And I think there is still an outstanding error that's gotten lost in the confusion that needs rectifying.
- Mr O paid £60 via cheque for a site visit in March. BG advised in May that it would cancel this invoice. The call notes from 6 May say BG agreed to refund the £60 as a goodwill gesture. So, it sent Mr O a letter and a cheque. I've seen a copy of the cheque Mr O sent BG, and I've seen a copy of the letter dated 12 May 2021 where BG sent a cheque back to Mr O. But Mr O was then told not to cash this cheque, and further to this an outstanding balance remained incorrectly on Mr O's file for months, up to September 2021.
- In short Mr O paid this amount, and BG refunded it. But it looks like it was never cashed, as the cheque was cancelled, and Mr O was told not to cash it. The cheque Mr O received has now expired. So, if this amount was never refunded to Mr O, I'm requesting that BG issues the cheque again, as the original one has expired.

Cancellation

- The cancellation issue is unclear. So I need to consider what's most likely to have happened. Mr O is adamant he never cancelled the policy. But BG sent him a cancellation letter. He does recall the conversation. But the notes provided from BG aren't clear, and even though we've requested it we've never received a copy of this call.
- I think from reading the notes Mr O only wanted to cancel if he received a full refund. The notes from BG from May show that BG told Mr O he was getting a full refund. But then the next call note says he wasn't receiving a full refund. So, I think it's more

likely than not cancellation was discussed, but this conversation took place based on incorrect information. So even if Mr O did cancel the policy, he did so based on incorrect information, So the cancellation would never have been fair. I do note that BG confirmed the policy was reinstated in its final response.

Putting things right

Mr O is an elderly man who only ever wanted his “Hive” system repaired. This issue has led to 12 months of errors, miscommunications, distress and inconvenience. If a business’s error has caused more than the levels of frustration and annoyance you might reasonably expect from day-to-day life, and the impact has been more than just minimal such as a single mistake then an award over £100 is fair. I appreciate BG have offered £80. But I think the award of £150 as recommended by our investigator is a fairer and more reasonable amount in these circumstances to compensate for the distress and inconvenience Mr O suffered for the errors and mistakes BG made.

My final decision

For the reasons set out above, my final decision is that I uphold this complaint. To put things right I require British Gas Services Limited to:

- Reissue the cheque for £60 to Mr O that was issued and then cancelled in May 2021 (if this hasn’t already been done).
- Pay £150 in compensation for the distress and inconvenience caused for the reasons I’ve set out above.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr O to accept or reject my decision before 12 August 2022.

Derek Dunne
Ombudsman