

The complaint

Mr P has complained that British Gas Insurance Limited (British Gas) was taking payments for two home emergency policies at his address.

What happened

Mr P contacted British Gas when he found that payments were being taken for a second British Gas home emergency policy. British Gas registered it as a complaint and agreed to refund the payments for the second policy.

When Mr P didn't receive the refund, he complained to this service. Our investigator said British Gas had acted fairly by refunding the payment, but should have paid interest on that amount.

As British Gas didn't agree it needed to pay any interest, the complaint was referred to me.

I issued my provisional decision on 4 July 2022. In my provisional decision, I explained the reasons why I was planning not to uphold the complaint. I said:

I've looked at the two policies. The original policy isn't in Mr P's name but uses largely the same address, including the postcode, as provided to this service. The second policy, which British Gas agreed to refund, is in Mr P's name and the address is the same as Mr P's but the last three letters/ digits of the postcode are different.

British Gas has explained that the second policy was applied for online. I note that Mr P has said the payment for this new policy was being taken from a different bank account than the payments for the first policy. So, it seems that whoever set up the new policy also had access to those new bank details when it was applied for. I've also looked up the address on the second policy and, from what I can see, it seems to be a genuine address that is almost identical to Mr P's.

British Gas has said that although it had systems to check whether there was already a policy for a particular address, the differences in the first line of the addresses and the postcodes meant its systems didn't pick this up. Looking at the addresses, I can see why this was the case. Even if someone had carried out a manual check on these two policies, I think it would have been unlikely that someone would have been clear they were both for the same property. The policies were in different names, at similar but different addresses and Mr P said the payments were also being taken from different bank accounts. So, I can't see that British Gas would have had any reason to think there was an issue until Mr P raised it.

When Mr P contacted British Gas, it investigated and agreed to cancel the new policy and refund Mr P the payments for it. I think that was fair and reasonable. The issue now is whether British Gas should pay interest on the amount it refunded. Having thought about what happened, I'm not currently persuaded that it should. At times, this service would say that a business should pay interest. This includes where a business has made a mistake. But I haven't seen evidence that makes me think British Gas made a mistake by setting up the new policy. It set up a new policy that was in a different name, at a different address and

with different bank details than the original policy. I can't see that it had any reason to query the application.

I'm also aware that when Mr P complained to this service, he said he hadn't received the refund. When this service asked British Gas about this, it checked its records and saw that the cheque it had issued hadn't been cashed. So, it cancelled the cheque and reissued it. I understand that the cheque has now been cashed. From what I can see, the original cheque might have gone to the address on the second policy. However, when this service made British Gas aware that Mr P hadn't received the payment, I think it took reasonable and prompt steps to deal with this. So, based on what I've seen, I don't currently think British Gas needs to pay any interest on the refund amount.

Thinking about all of the above, I don't currently intend to uphold this complaint or to require British Gas to do anything further.

I asked both parties to send me any more information or evidence they wanted me to look at by 1 August 2022.

British Gas agreed with my decision and said it didn't have anything further to add.

Mr P didn't reply.

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've decided not to uphold this complaint and for the reasons given in my provisional decision. I haven't found any reason to change my view on how this complaint should be resolved and, as a result, I don't require British Gas to do anything further.

My final decision

For the reasons I've given above and in my provisional decision, my final decision is that this complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 30 August 2022.

Louise O'Sullivan
Ombudsman