

## **The complaint**

Mr and Mrs P complain that British Gas Services Limited (British Gas) incorrectly told them that three policies had been cancelled for non-payment, amongst other service issues.

## **What happened**

Mr P has been dealing with this complaint, and has a representative. For ease of reading I'll refer only to Mr P from now on.

Mr P has three landlord property policies with British Gas which include emergency cover for appliances/central heating, annual servicing and an annual safety check confirmed by a certificate. The latter is something Mr P needs as a landlord to comply with letting regulations. The policies were due for renewal in late summer 2023.

In January 2024 Mr P was told the policies were being cancelled because his bank hadn't paid the premiums when requested. Mr P talked to British Gas about this and eventually discovered that British Gas had inadvertently tried to collect the money from his son's account. British Gas said that because Mr P had added his son onto his account as a nominee, its systems had incorrectly overwritten Mr P's bank details with his son's (Mr P's son has his own, separate account). British Gas acknowledged that this was a breach of data protection regulations.

British Gas gave Mr P's son back the money it had incorrectly taken from him. I understand that's the subject of a separate complaint, so I won't say anything else about that here.

Mr P was left without insurance on his three properties. He says he spent a lot of time trying to sort this out and the whole situation left him stressed and inconvenienced. British Gas reinstated one policy, cancelled and refunded fees for a second but was unable to reinstate the third because it was "stuck" in its internal system. Mr P had to go through the process of setting up an entirely new policy, which leaves him unable to access documents on the original policy unless he calls and asks British Gas to email them to him.

In addition, Mr P complained that he and his son have had to make a joint call every year to ensure Mr P's son can deal with sensitive details (bank details for example) on the account. Mr P says each year British Gas has removed his son from the account and they have to provide authority again. He wants British Gas to sort this out without further inconvenience for him.

Some later, in early March 2024 British Gas wrote to Mr P asking him to pay two invoices totalling £84 for property three because he was cancelling the property. It followed that with letters saying the policy was cancelled.

British Gas explained that it had incorrectly merged details of Mr P and his son's accounts, which led to the mix up of bank details. It blamed its systems for this, and says that's also why in previous years it deleted Mr P's son from his account. British Gas says this was to prevent the data breach that happened in 2023. It says the invoices and letters sent in March were automatically generated and were about the original policy for property three, not the

new one, and that it would cancel the fees.

In British Gas's final response letter it acknowledged it hadn't handled Mr P's account the way it should have. It offered him £100 to make up for this. It said it could attempt to add Mr P's son to the account again if he and Mr P took part in a joint call, but that it would then need to carry out an investigation to ensure there were no further data breaches. It explained why, legally, a joint call was required. Finally British Gas said the fees detailed in the early March letters (now cancelled) reflected the fact that it had carried out an annual service and safety check on property three during the period it was uninsured. It said because of this it was unable to increase the compensation offered.

British Gas then sent a cheque for the £100 compensation. It was incorrectly made out to Mr P's son.

Mr P asked this service to review his complaint. Our investigator thought about the seriousness and ongoing nature of British Gas's errors and its attempts to put these right. She noted that British Gas had given Mr P three options about how he can manage his account going forwards. One of these involves another joint phone call with Mr P's son and British Gas – but there is no guarantee that this will work long term. A second suggests the accounts stay as they are – which means Mr P's son could make appointments but not deal with any sensitive details. Mr P is reluctant to go through the phone call process and wants British Gas to simply add his son to the account as he wants him to have full access. The third option was for British Gas to cancel the policies without cancellation charges – but Mr P says that leaves him with the inconvenience of searching for alternate policies, so isn't a satisfactory option.

Taking everything into account our investigator thought British Gas should increase its offer of compensation by a further £250 – to £350 overall. British Gas doesn't think that's fair as it's already provided £80 of services free of charge on property three.

### **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.

I'm going to uphold this complaint.

I'm not going to comment again on all I've described in the above paragraphs, but I will note the following:

British Gas has:

- Allowed Mr P and his son to go through the process of adding his son's details to Mr P's account for several years and then removed them to avoid a data breach. Yet it doesn't seem to have explained this to Mr P over the years. Nor did it carry out what it thought was necessary steps under the data protection rules in 2022/2023.
- British Gas's errors caused a data breach in 2023 for both Mr P and his son, and blamed "systems" for problems. That's not an acceptable reason from a major company. The correspondence I've seen implies Mr P contributed to the problem by adding his son to the account. And Mr P says he's been left feeling the same way after phone calls. British Gas may only have meant to explain the underlying issues to Mr P, but I don't think the way it's communicated with him is helpful. If British Gas knew adding the son to the account wasn't a viable option (and it appears it did given its actions in earlier years) then it should have explained that. It didn't do that.

- Incorrectly cancelled Mr P's policies because of its errors. Although two policies were subsequently sorted out, that in itself caused Mr P unnecessary distress and inconvenience.
- Left Mr P uninsured on one of his policies, meaning he had to go through the process of setting up a new policy, and now has to ask to see older documents rather than accessing them online.
- Told Mr P it can't increase compensation because it's provided an annual service and a safety check for free on property three. But that isn't what it told Mr P when it sent cancellation letters in March 2024 nor in subsequent correspondence. The invoices clearly say the fees were "cancellation" fees. And as such they should never have been requested. Even if they did reflect services British Gas provided for "free" that was only because of British Gas's errors.
- Issued the compensation cheque to the wrong person, that it Mr P's son. Furthermore, British Gas had said Mr P's son was only privy to non-sensitive information on his account. So issuing the cheque as it did may be a further data breach, but in any event it's not an acceptable way to resolve the complaint.

Mr P did tell us that the safety check carried out by British Gas in late January 2024 was unnecessary as he had a certificate that was valid until September 2024. He says that added extra inconvenience. I can see that he did have a certificate – it was issued after he had the boiler replaced in September 2023. But I can't see that British Gas knew about the new certificate, which seems to have been issued to Mr P with a copy being kept by the engineer who replaced the boiler. It may be that Mr P told British Gas about this when it arranged for a new certificate. As this is a relatively minor issue, and quite possibly coincided with the annual service visit, the circumstances around this are unlikely to affect my decision. So I'm not going to ask for any more evidence, to avoid holding up this decision.

### **Putting things right**

British Gas should compensate Mr P for the distress and inconvenience he's suffered. And taking everything into account I think the total of £350 fairly reflects the effect of the errors British Gas made on Mr P. I don't accept that British Gas should pay less because it says it's provided some services for free – it only did that because of the mistakes it made.

British Gas has offered to send Mr P copies of all previous information on his old policy for property three. I'd suggest it does that, which will save Mr P having to request them in the future. Mr P should let British Gas know within 28 days of this decision if he *doesn't* want this to happen.

As for adding Mr P's son to his account, I'm afraid I can't tell British Gas to simply do this. That's because British Gas wants to follow regulations regarding data protection – and I can't say that's wrong. Nor can I tell British Gas how to operate its business and what systems to use, as those are commercial decisions it's entitled to make. It seems to me Mr P has the option of trying to add his son to the account once more with no guarantee it will be successful, or keeping him on the account but with limited authority. I'll have to leave that with Mr P.

### **My final decision**

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P and Mrs P to accept or reject my decision before 31 December 2024.

Susan Peters  
**Ombudsman**