

The complaint

Mr H has complained that Homeserve Membership Limited (Homeserve) automatically renewed his home emergency policy.

What happened

Mr H took out a policy with a Homeserve for his plumbing and drainage when it was running an introductory offer. A couple of years later, he contacted Homeserve to take out a new policy for his electrics under another introductory offer. During the call, he was told he already had plumbing and drainage cover. Mr H said he had cancelled this a year earlier and didn't know it would automatically renew. He said he wasn't sent any renewal notices.

When Homeserve responded to the complaint, it didn't uphold it. It said it was unable to find any record that Mr H had cancelled the policy before it renewed. However, it had now cancelled the policy and would provide a pro-rata refund of £7.56.

Mr H complained to this Service. Our Investigator didn't uphold the complaint. He said there was no evidence to show Mr H had tried to cancel the policy before it renewed. Mr H had been sent renewal letters and this showed the price increase for the previous year. He said HomeServe didn't need to do anything further.

As Mr H didn't agree, the complaint was referred to me.

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 don't uphold this complaint. I will explain why.

Mr H took out a policy with Homeserve. He said he didn't know the policy had automatically renewed and the price had increased. He said he had cancelled the policy. So, I've looked at what happened.

Mr H said he phoned or emailed Homeserve to cancel the policy before it renewed. Mr H wasn't able to provide evidence of a phone call or email to Homeserve cancelling the policy. I'm aware Mr H provided a call log from his phone and some emails. But none of this seemed to be from the relevant time period. Homeserve was also unable to find evidence of a phone call or email from that time. So, I don't think there's evidence to show Homeserve failed to act on a request from Mr H to cancel the policy before it renewed.

Mr H also said he wasn't told by Homeserve that the policy would automatically renew. I've listened to the phone call when Mr H agreed to take out the policy in 2023. During that call, Mr H was told that the premium would increase at renewal, and was given an indication of the price, and was also told the policy would automatically renew, which he could cancel at any time. Mr H was asked if we wanted to proceed and he confirmed he did. So, I think Mr H

was made aware both that the price would increase and that the policy would automatically renew.

Mr H has also said he wasn't sent the renewal documents. I've seen the renewal documents. He was sent these on 8 March 2024 and on 18 March 2024. These had Mr H's address on them. I've also seen Homeserve's records that show the documents were printed. I think this shows that Homeserve sent the documents. Once the documents were posted, Homeserve wasn't responsible for their delivery to Mr H's property. So, if he didn't receive them, that wasn't down to the actions of Homeserve. The renewal documents clearly stated the policy would automatically renew and what Mr H needed to do if he didn't want that to happen.

When Mr H phoned Homeserve in 2025 to take out electrical cover, he was told he already had plumbing and drainage cover. Mr H said he didn't know he had this cover and didn't want it. I think it was fair that Homeserve cancelled the policy and offered him a pro-rata refund. I don't think Homeserve needed to refund the full year's premiums. I think Homeserve took the necessary steps to ensure Mr H was aware of the details of the policy renewal. I don't think Homeserve had any reason to think Mr H didn't want the policy to renew until this phone call in 2025. Mr H also agreed to make monthly payments for the policy and these would have been visible on his bank statements. I'm aware Mr H told this Service both year's premiums were one-off payments. But during the phone call when he initially took out the policy, Mr H confirmed he wanted to pay monthly and the policy was set up on that basis. I also saw the monthly direct debit payment schedule in the renewal documents.

Based on everything I've seen, I think Homeserve's response to the complaint was reasonable. As a result, I don't uphold this complaint or require Homeserve to do anything else in relation to it.

My final decision

For the reasons I have given, it is my final decision that this complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 14 October 2025.

Louise O'Sullivan
Ombudsman