

complaint

Mr G is unhappy with British Gas Insurance Limited's actions in relation to a home emergency insurance policy.

background

Mr G took over a policy that had been in his mother's name, after she passed away. The policy came to an end in July 2016 and Mr G didn't want to renew it.

British Gas wrote to Mr G inviting his renewal before the policy ended. It also called him numerous times and wrote to him again. There were six calls between 5 and 13 September 2016. Mr G emailed British Gas on 13 September detailing these calls and asking for his number to be removed from its systems. He then received three more calls on 14, 15 and 16 September. He spoke to the caller on the 16 September and was told that it was calling in order to renew his policy. Mr G told the caller, he didn't want to renew and asked again that his number be removed from its systems. A week later he received a card asking him to contact British Gas urgently.

Unhappy with the number of calls he was receiving, which he says amounts to harassment, Mr G made a formal complaint to British Gas. After Mr G made the complaint, he got another letter dated 16 October 2016, saying that British Gas was sorry he'd cancelled the policy but again saying he could take out cover if he wanted.

One of our adjudicators looked into the matter. She thought it should be upheld and recommended that British Gas pay Mr G £100 compensation for the distress and inconvenience caused.

Mr G accepted the adjudicator's assessment but British Gas didn't. It says that it will continue to try and contact previous policyholders until it can be confirmed they don't want to renew and to get their permission to cancel a policy. It says it only called Mr G once and wrote to him once after he had told it he didn't want to renew. This was because it takes 14 days to completely remove a customer's details from the systems.

As the matter couldn't be resolved, it has been passed to me.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Jurisdiction

British Gas initially said we had no jurisdiction to look at this complaint, as it doesn't relate to a claim under the policy. It doesn't appear that this is still disputed but for completeness, I confirm that I'm satisfied we do have jurisdiction to consider this complaint. It is about British Gas' behaviour in trying to renew a policy of insurance and therefore relates to the regulated activity of effecting a contract of insurance as principle.

British Gas's communications

Insurers are of course allowed to market their products but this has to be done reasonably and I think that calling nine times is excessive. I've not seen proof of these telephone calls but British Gas doesn't dispute they were made. It also called Mr G again after he had specifically asked it to stop calling. I note British Gas says that only one call was made after his complaint and he says it was three. I see no good reason to disbelieve Mr G's assertion but in any event, it doesn't make any material difference whether it was one or three calls after 13 September 2016, as British Gas hasn't disputed the total number of calls. Unsolicited calls are a nuisance and I can understand why so many calls upset Mr G.

In addition to the calls, Mr G received at least one card, which I think was misleading. It said: "Please call us about your HomeCare' Agreement as soon as you can We need to talk to you about the status of your agreement, but we've been unable to contact you."

It doesn't say that it is checking if he wanted to renew but could be inferred to mean that there's a payment due or some other issue which would make the consumer more likely to call back so they can be sold another policy.

I also agree with Mr G that he did not have any obligation to formally tell British Gas he didn't want to renew. And I don't understand British Gas's assertion that it needed his permission to cancel the policy. The policy was an annual policy set to expire on a specific date in July 2016, which it did. So there was not policy to cancel.

I therefore do think that British Gas didn't act reasonably. It made an excessive number of calls to try and ensure Mr G renewed his policy. I therefore agree with the adjudicator that some compensation for the inconvenience this caused is warranted. I also agree that £100 would be appropriate.

my final decision

I uphold this complaint and require British Gas Insurance Limited to pay Mr G £100 compensation for the distress and inconvenience it caused him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 28 March 2017.

Harriet McCarthy
ombudsman