

complaint

Mr C complains that British Gas Insurance Limited renewed his central heating insurance without his consent.

background

Mr C took out central heating cover with British Gas in October 2013. At the same time he bought a one off repair as he had an existing fault with his boiler. From October 2013 to September 2014 British Gas did a number of boiler repairs and service visits under Mr C's policy.

A policy renewal letter was sent to Mr C in September 2014 and the policy continued. Mr C didn't make any claims during that policy period. The next renewal letter was sent to him in September 2015. In December 2015 Mr C phoned British Gas and asked for a refund for the premiums he had paid since the policy renewed in 2014. He told British Gas he thought he had a breakdown agreement, not insurance, which only lasted eight months. He said he hadn't agreed to the insurance continuing beyond that time.

British Gas said the policy and renewal letters sent to Mr C were clear that the cover would be for 12 months and renew automatically unless he contacted it to cancel. As a goodwill gesture it refunded the premiums paid from the 2015 renewal.

Mr C complained to us. He said he'd noticed in December 2015 that he was still making payments to British Gas. He hadn't signed any agreement about the possibility of extending the cover when it expired. He said he was phoned by British Gas about renewal just before the cover expired and he told it he didn't want to renew.

The adjudicator explained why she thought British Gas had acted fairly in not refunding all the premiums since the 2014 renewal. In summary, the documents sent to Mr C had been clear the policy would run for 12 months and renew automatically unless he contacted British Gas to cancel.

Mr C disagreed. He said when he entered into the agreement for British Gas to repair the boiler he was told he could have a one off repair agreement or an agreement that lasted eight months. He also said he wasn't told it was an insurance policy that would renew annually. He hadn't received any insurance policy or renewal documents from British Gas. And he didn't use British Gas after he thought the agreement had expired.

my findings

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

I'm not upholding Mr C's complaint and will explain why.

British Gas doesn't have the 2013 call recording when Mr C bought the policy. So I have to decide what's most likely to have happened in that call. It's told us it has never had an eight month repair agreement to offer to consumers. So it's very unlikely that Mr C was offered that option when he called to have his boiler repaired. British Gas' records show that in October 2013 Mr C bought a policy and the documents were sent to him. I've no reason to

doubt that happened. And British Gas did an annual service on Mr C's boiler in September 2014 so he should have known the cover didn't only last eight months.

The 2014 and 2015 policy renewal letters sent to Mr C are very clear he had central heating cover for the previous 12 months. They're also clear that as Mr C paid by direct debit the cover would renew automatically for another year unless he phoned to cancel. This information reflects the policy term about renewal.

Mr C has told us he didn't get the policy document or renewal letters. British Gas thinks he told it he did. I've listened to the recording of the call between Mr C and British Gas in December 2015. I can't hear that he did tell it that he had received the reminders. But as the letters were sent to Mr C's correct address I think it's likely he received at least one of those letters. And there's no record of British Gas phoning Mr C to see if he wanted to extend the cover and him refusing, as he suggests. Given what the renewal letters say I think it's unlikely British Gas would call to ask that question because the onus was on Mr C to contact it if he wanted to cancel.

Overall, I'm satisfied that British Gas sent Mr C clear information that he had a policy and that it would renew automatically unless he called it to cancel. Even if Mr C didn't use the policy he had cover. British Gas doesn't need to refund the premiums he paid since October 2014. It acted reasonably in making a goodwill refund of the premiums paid since October 2015.

my final decision

I don't uphold Mr C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 30 September 2016.

Nicola Sisk
ombudsman