

## **complaint**

Mr S complains that British Gas Insurance Limited wrongly cancelled his home emergency insurance policy.

## **background**

Mr S complained to BG about this matter. And, being unhappy with its response, he complained to this service.

Our investigator thought Mr S's complaint shouldn't be upheld.

Mr S disagreed with the investigator's conclusions. So, the matter's been referred to me to make a final decision.

## **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've decided not to uphold Mr S's complaint and I'll explain why.

Mr S says he didn't know BG was going to cancel his policy. He says when he complained about the matter, BG told him the cancellation was his fault. He says it told him it had applied to his bank on two occasions for the monthly payment, but it was refused.

Mr S also says he hadn't received anything from his bank or BG to tell him there was a problem with his payment. He says the only letter he got from BG said he'd cancelled his policy, which he says was wrong. And he says when he looked at his bank statements he realised BG had been asking for the wrong monthly payment because, he says, it had been decreased after he rang and spoke to BG about his policy.

BG says its records show it was due to collect Mr S's direct debit payment on 10 August 2017. It says, regrettably, it appears the payment was rejected by Mr S's bank and returned unpaid. It says it sent Mr S a letter on 12 August to tell him it wasn't able to collect his payment and that it would try again. And it says it attempted to take the payment again on 25 August, but this also came back from Mr S's bank as rejected.

BG also says it sent Mr S a letter on 27 August asking him to fill in a new direct debit mandate form and return it to enable BG to reset the direct debit. It says as it didn't hear from Mr S in response to this letter and as no payment was made, his policy was cancelled. And it says it apologises that the wording of a letter it sent to Mr S on 19 October indicated he'd requested the cancellation. It says as no payment had been made its system assumed Mr S no longer wanted to have cover and that's why his policy was cancelled.

I note Mr S says he spoke to BG before the issue with his direct debit payment arose, asking for a change to his policy. But I also note BG has no record of that call.

I've seen information indicating BG wrote to Mr S three times saying there was an issue with his direct debit before it cancelled his policy. I acknowledge Mr S says he didn't receive these letters, but the information I've seen indicates they were all sent to the correct address.

In these circumstances, I think BG took reasonable steps to contact Mr S about the problem with his direct debit payment, before it cancelled his policy. And this means I can't conclude it's most likely the cancellation was the result of any fault on BG's part.

So, for these reasons, I can't uphold Mr S's complaint.

**my final decision**

I don't uphold Mr S's complaint against British Gas Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 5 February 2018.

Robert Collinson  
**ombudsman**