

The complaint

Mr K complains that British Gas Services Limited misrepresented the cover that was available to him when he renewed his Homecare 100 boiler policy in December 2019. So he believes that the premium he paid for the policy should be refunded.

What happened

Mr K had a homecare policy with British Gas for some years which covered his domestic boiler. In December 2019 he received his policy renewal documents for the period from 23 January 2019 to 22 January 2020. The renewal documents contained the following information: -

Our records show that your boiler is a Keston Boiler C 55.

- Your boiler's manufacturer stopped making your particular model of boiler a while ago. They're still making the most important parts for your boiler, some other parts are becoming difficult to source.
- This means we may not be able to fix your boiler if it breaks down, but we'll do our best to keep it running for as long as possible.
- In the unlikely event we can't fix the boiler, you may be able to get a refund backdated to when you last had work done, or when you renewed your agreement – whichever's the most recent.

Mr K says that the heat exchanger is the most important part of a boiler and that the manufacturer's website states that this part, for his boiler, was withdrawn on 11 November 2015. He's also told us that he spoke to British Gas, who told him, they had 75 heat exchangers, of the model required by his boiler, in 2016, but none after this date.

So he says the information provided in his renewal notice, about the availability of parts for his boiler, isn't correct. And had he known the heat exchanger was no longer being manufactured, and that British Gas didn't have any in stock he wouldn't have renewed his cover. So he wants the premium of £411.28 he paid for boiler breakdown cover from 23 January 2019 and 22 January 2020 refunded.

Mr K complained to British Gas who didn't uphold his complaint. They said they'd made it clear in the renewal documents he'd been sent that if his boiler broke down, they might not be able to fix it. But having this information he'd made the decision to renew his policy. And if his boiler had broken down, and they hadn't been able to repair it, he may have been offered a refund of his premium.

Mr K was unhappy with this response and complained to our service. Our investigator considered the case but didn't uphold the complaint. She said British Gas had met their policy obligation to send Mr K details of his renewal at least 25 days in advance of his renewal date. And she said the letter met the FCA's requirements as it encouraged Mr K to shop around to find the best cover.

Mr K was particularly concerned that the renewal that British Gas has misrepresented the availability of replacement heat exchangers, which he considers to be the most important part of his boiler. Our investigator said we wouldn't expect British Gas to specify exactly what parts were still being manufactured, or were available, for each individual boiler. She felt they'd done enough by notifying Mr K that some of the parts for his boiler were on a reduced parts list.

And while Mr K believes British Gas couldn't have provided a replacement heat exchanger if this was needed, he hadn't needed to make a claim, so this was speculation. So our investigator felt they'd done enough by making it clear some parts weren't available in his renewal letter. And if he'd needed to make a claim for a heat exchanger, which they couldn't provide, he may have been entitled to a refund of his premium.

She also considered that Mr K had told us that the heat exchanger had been discontinued in November 2015, and that British Gas told him they had a stock of 75 in August 2016. British Gas have told us their records don't show when their stock of heat exchangers ran out. Our investigator felt this showed they'd only check the availability, of a particular part, when it was required, so she didn't think they'd been any misrepresentation.

Mr K didn't accept our investigator's opinion. He said that the renewal letter said '*the most important parts*' of his boiler were still being made, but the heat exchanger wasn't, and as British Gas had told him they hadn't had a stock of heat exchangers since 2016, our investigator had to conclude that they'd been a misrepresentation.

Our investigator considered this but didn't change her opinion. She said that just because British Gas didn't have their own stock of heat exchangers, this didn't mean they wouldn't have been able to source one from elsewhere. And as Mr K had never made a claim, she couldn't say whether British Gas would've been able to repair his boiler if the heat exchanger had failed.

Mr K remained unhappy with our investigator's opinion so the case has come to me for a decision.

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've considered the renewal letter British Gas sent to Mr K's in December 2018. I don't think there's anything misleading about the renewal letter. British Gas alerted Mr K to the fact that his boiler was no longer being manufactured, and if it broke down some parts were getting difficult to source and it might not be repairable. At the time this doesn't appear to have concerned Mr K, as he renewed his policy.

The letter doesn't provide a list of the important parts British Gas say are still being manufactured and I wouldn't expect it to. A boiler, like any machine, is going to have a number of parts which are necessary for it to function. Mr K believes that the heat exchanger is the most important part of his boiler. It appears that he first raised the issue about the availability of replacement heat exchangers on 17 January 2020, when he called British Gas to tell them he wasn't going to renew his policy.

Mr K had clearly made enquiries and has provided us with a screenshot from the manufacturer's website, showing that heat exchanger kits were not available. When he spoke to British Gas on 17 January 2020, their call notes show that their parts department confirmed they had no heat exchangers for his make of boiler in stock. But Mr K was told

that simply because they couldn't get the part from the manufacturer, this didn't mean they couldn't obtain it from '*somewhere else*'.

We asked British Gas for further information and they've told us that they have an internal system which allows them to view parts, and which tells them if an appliance is no longer being manufactured. Based on this they advised Mr K that his boiler was no longer being manufactured and they might have difficulty obtaining parts if it needed repairing. Their records show that Mr K had his annual boiler service in July 2019. Mr K hasn't raised any concerns about the service, so his boiler appears to have been working correctly at this time.

We asked British Gas what they would have done if Mr K's boiler had required a heat exchanger. They've told us the part would have been mass produced so they'd have contacted local suppliers to see if they had old stock, as thousands of other merchants would have stored the part. And if they couldn't source the part, they'd have advised Mr K to replace his boiler. We also asked them when they last fitted a heat exchanger to Mr K's make of boiler. They've told us don't have a record of this information.

I can understand Mr K's concern that if his boiler had required a heat exchanger, British Gas may not have been able to provide one. But his boiler didn't break down during the period of his cover, and even if it had, we can't know whether a heat exchanger would have been required. In the renewal letter Mr K was sent British Gas didn't specifically state that the heat exchanger was still being manufactured, so I don't agree that there was any misrepresentation.

My final decision

For the reasons set out above my final decision is that I don't uphold Mr K complaint against British Gas Services Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 27 April 2021.

Patricia O'Leary
Ombudsman