

The complaint

Mr W complains British Gas Insurance Limited mis-sold a HomeCare policy. To resolve his complaint, he thinks it should either refund the premiums paid or replace his boiler.

What happened

The details of this complaint are known to all parties, so I won't repeat them again here. In this decision, I've focused mainly on giving the reasons for reaching the outcome I have.

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.

Mr W has held a HomeCare policy with British Gas since 2018. This covered the boiler, central heating, and electrics, amongst other things, at a property he rents to a tenant.

In 2018, British Gas sent renewal documents to the risk address which said the manufacturer of the boiler had stopped making it. Therefore, even though important parts were being made, some parts were difficult to source. And in the unlikely event a boiler fault couldn't be fixed, Mr W may be entitled to a refund. I'm satisfied this shows British Gas took reasonable steps to put Mr W on notice regarding the possible limitations of boiler cover. And in turn, Mr W had sufficient information about the policy to make an informed decision as to whether the cover level was suitable.

The policy renewed each year thereafter and policy information was sent to the risk address where Mr W says it was picked up by the tenant as Mr W was working abroad. Mr W says British Gas ought to have contacted him outside of the renewal process to inform him about the possible limitations in respect of the boiler.

But looking at things objectively here, Mr W decided to take out an insurance policy that covered the boiler and central heating, amongst other things at the risk address. British Gas provided renewal documents which contained clear information that the boiler was no longer made and was on a reduced service list. Therefore, I'm not satisfied British Gas made an error here or treated Mr W unfairly by administering the policy information in the way it did.

I've also kept in mind here several visits have taken place by British Gas to the risk address each year. Annual service visits have been carried out, and the boiler was said to be in working order during the last visit, in 2023.

Importantly, the boiler remains in working order. If something went wrong, under the policy, British Gas would have been required to attend, inspect the boiler, and attempt a repair. Just because a boiler is no longer made and on a reduce service list, that doesn't necessarily mean it cannot be successfully repaired in future.

Mr W also says the policy is flawed and other benefits included with the cover were already covered elsewhere. But Mr W was responsible here for considering whether the policy suited

his needs. He also says he could have replaced the boiler given the amount of money he's paid to British Gas in premiums over the years. But that doesn't mean British Gas should therefore refund the premiums or cover the cost of a replacement boiler. It was for Mr W to decide whether he wanted to continue with the cover.

In concluding, I don't think Mr W is due a refund of premiums. Nor do I think British Gas should replace the boiler – that is currently in working order, in the absence of any evidence to the contrary – under the policy. I say this because I'm not satisfied the policy was mis-sold. The renewal information about the potential limitations on cover in respect of the boiler was clear, and had anything happened, British Gas would have been required to attempt a repair. Therefore, it follows, I don't require British Gas to take any action here.

I accept my decision will come as a disappointment to Mr W. But it ends what we – in attempting to resolve his dispute with British Gas – can do for him in this particular case.

My final decision

For the reasons I've set out above, my final decision is I don't uphold it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 7 February 2024.

Liam Hickey
Ombudsman