

complaint

Mrs C complains that she was sold a finance agreement by British Gas New Heating Limited to pay for the installation of a new boiler after she had said she wanted to pay cash. When she tried to pay-off the agreement she was quoted a higher amount than the price British Gas had guaranteed.

background

Mrs C says she was told by the British Gas engineer that signing a finance agreement was a standard part of the purchase of a new boiler, and that she could still pay the guaranteed price in cash. British Gas responded that Mrs C was given a detailed explanation about the finance. She signed a credit agreement with its third party finance provider and did not cancel it within 14 days, as she was able to.

Our adjudicator recommended that the complaint should be upheld. He said he could not conclude that Mrs C realised she would pay more, by signing the finance agreement, than the amount guaranteed on the British Gas Agreement. He said she had evidenced that she had the money to pay cash, and that British Gas should refund the difference between the two amounts, add interest and pay £50 for the distress and inconvenience caused.

British Gas disagreed, repeating that Mrs C had signed the finance agreement which made it clear there was a cost for credit and it was a legally binding document.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. Where the evidence is contradictory, incomplete or inconclusive (as some of it is here), I have based my decision on the balance of probabilities – in other words, on what I consider is most likely to have happened in the light of the available evidence and the wider circumstances.

I am not satisfied that there is sufficient evidence to conclude that Mrs C was not misinformed at the point the credit agreement was sold.

I cannot know with certainty what was discussed. However, on balance and as there is evidence that she had the money available, I do not consider that she would have signed the agreement if she had not been told that if she paid the amount off straight away there would be no interest charged.

I consider that the adjudicator's recommended settlement to be fair and reasonable.

my final decision

My final decision is that I uphold this complaint and I order British Gas New Heating Limited to pay to Mrs C:

- £17.55, being the difference between what she paid and what she was most likely made to understand she would pay;
- interest on this amount at an annual rate of 8% simple from 6 August 2012 to the date of settlement; and
- £50 for the distress and inconvenience caused.

Rebecca Connelley
ombudsman