

complaint

Miss C complains that British Gas Insurance Limited mis-sold her a boiler protection policy. She feels that she would never have been able to claim on the policy that she has, and so the policy was unsuitable.

background

Miss C has held a boiler protection and maintenance policy with British Gas since 2002. In July 2016 British Gas carried out an annual inspection on Miss C's boiler. During the inspection the engineer identified a problem with the boiler flue. The notes from engineer's report say that the liner of the flue had failed.

Miss C made a claim on her policy to get this repaired. British Gas declined the claim and pointed to the terms and conditions of the policy. These said that there was a term in the policy which excluded the work that Miss C was trying to claim for. Miss C made a complaint about the decision to decline her claim.

Miss C then tried to get her boiler repaired independently. She was told that this wouldn't be possible as her boiler was so old that spare parts were no longer available. So Miss C complained her policy was unsuitable for her and that she'd never be able to use it as the parts weren't available.

Our investigator didn't uphold the complaint. He said:

- Due to the passage of time it wasn't possible to say how the policy was originally sold to Miss C. But when the policy renewed each year there was no evidence that any advice was given. He felt it most likely that British Gas didn't give advice about the policy, and so they didn't need to check it was suitable for Miss C.
- British Gas said the boiler was on a reduced parts list. This meant they were able to get some spare parts for the boiler, but others might be unavailable. The reports from the annual inspections suggested it was most likely that Miss C was made aware of this, and decided to continue with cover anyway.
- The terms and conditions of the policy did exclude the specific type of claim Miss C was trying to make. He felt these had been shared with Miss C and were set out clearly enough for her to understand them. And it was reasonable for British Gas to rely on the terms to decline the claim. He pointed out that the boiler being on a reduced parts list hadn't been the reason the claim was declined.

Miss C didn't agree with the investigator and has asked for 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 the complaint.

was the policy mis-sold?

British Gas have said because of the time that has passed they don't have records of exactly how they sold Miss C her policy. I don't think this is unreasonable given the timescales

involved. They've sent us the renewal packs that have been sent to Miss C in more recent years. Having looked at these, and in the absence of any other evidence, I agree with our investigator that it's most likely Miss C wasn't given any advice about the policy. This means it was up to Miss C to decide for herself if the policy was suitable for her.

I also agree that it seems likely that Miss C has been made aware that her boiler is on a reduced parts list, and may not be able to be repaired if she made a valid claim. The notes from several of the annual inspections make reference to having discussed the age of the boiler and the availability of spare parts.

It does also appear that Miss C has been sent policy terms and conditions each year. And I think that these have been set out clearly enough for Miss C to understand them. The renewal notices also prompt Miss C to check for herself that the policy she has is still right for her, based on her circumstances.

So I think it's likely that Miss C was given enough information to make an informed choice about the policy. And decided to continue with the cover she had, with the understanding that some parts might not be available if she needed to claim on her policy. It's also worth noting that Miss C has used her policy over the years for her annual inspection and has had her boiler repaired on occasion. So I think this policy has been useful for her.

was it fair to decline the claim?

I understand that Miss C's boiler had an open flue. I've looked at the policy terms and conditions; repairing or replacing the flue on a boiler with an open flue is excluded under the policy. The decision to decline the claim had nothing to do with the boiler being on a reduced parts list. This is because the part that needed repairing (the flue) isn't part of the boiler, and was specifically excluded under the policy.

As I've explained I think Miss C had been made aware of how her policy worked. And the terms and conditions included a diagram to highlight how to identify if she had a boiler with an open flue. So I think it's fair that British Gas relied on the exclusion to decline the claim. I can't say that British Gas has done anything wrong here.

my final decision

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 11 September 2017.

Charlotte Wilson
ombudsman