

## **complaint**

Mrs F complains about a credit agreement set up through British Gas New Heating Limited ("British Gas") when she was having a new boiler installed. She also complains about British Gas's customer service. Mrs F is represented in her complaint by her husband, Mr F.

## **background**

In August 2013, Mr and Mrs F looked into getting a new boiler along with some other home improvements. They asked British Gas to give them a quote for this. To start with, British Gas thought Mr and Mrs F might have benefitted from the Government's Green Deal initiative. So it organised for a green deal assessment to be carried out.

If Mr and Mrs F had gone ahead with green deal this would have been financed by two loan agreements. One would have been a normal loan agreement which they paid back by instalments over time. The other would have been paid back through their energy bill. British Gas says that the assessment showed Mr and Mrs F wouldn't really have got much benefit from green deal. So it says they decided not to go ahead with it. Instead, they decided to finance the replacement through just a normal loan. It says this was in Mrs F's name alone.

Mrs F says she doesn't know if she signed a loan agreement or not. She has asked both British Gas and the lender for a signed copy. But this hasn't been provided. She also says that none of the quotes British Gas gave her matched what the lender says it loaned her. She thinks British Gas has forged her signature. Finally, Mrs F also says that she thought she had green deal.

British Gas has accepted it could have dealt with the complaint better and accepts some other mistakes. It's made two offers to settle this complaint which I have discussed below.

One of our adjudicators looked at the complaint and didn't think it should be upheld. Mrs F disagrees so the complaint has been passed to me.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

### ***did Mrs F accept a loan agreement and quote? if so, which ones?***

In my view, these are the critical questions to answer. Effectively, what happened during the sales process? British Gas has provided us with a number of quotes. The first quote is for just under £3,000 but doesn't include anything to do with the green deal. This seems to be because British Gas forgot to add it on at this stage. Around three weeks later, there is another quote for just over £3,000. This time, the quote includes the price of the green deal assessment.

Finally, there is a third quote. It is dated early September 2013. The breakdown of various costs includes the green deal assessment. But the price at the top has been crossed out and someone has written a new price in. Next to this it says "As agreed by..." and the name of one of British Gas's managers is written in. This quote appears to have been signed by Mrs F and another British Gas staff member.

Mrs F says she never signed this quote. She says her signature has been forged by British Gas and she has asked for the original "wet signed" copy. British Gas says Mrs F signed these quotes. It says she decided not to go ahead with the green deal because it wasn't much value to them. And also because of the service charge that would have been charged by Mr and Mrs F's energy supplier at the time. So it says one of its managers agreed to change the quote. This is what's reflected on the third and final quote.

I've considered everything that's been said. Having done that, I don't think the evidence supports fraud by British Gas. I have to tell Mrs F I think it's more likely than not that she did sign the third quote. There's no doubt that Mrs F was making repayments to the lender. So I think there must have been a loan agreement in place. Otherwise she wouldn't have made those payments. While the lender says it can't find the signed copy, it has provided a copy from its computer systems. And I can see no realistic reason why the lender would provide a false copy. This would also mean that both the lender and British Gas were acting fraudulently – and together – and I don't think that's likely.

The agreement the lender has given us matches the amount written onto the third quote. I think it's unlikely that British Gas would have installed the boiler – or Mrs F would have let them – unless they'd come to an agreement about how much it would cost. And I think Mrs F would have queried this much sooner if the loan agreement she was asked to sign was different to the quote. Overall, I think British Gas has given a logical explanation for why the quote was changed by hand and when this happened. And I think this is likely to be what happened.

### ***the green deal and British Gas's offer***

Mrs F says she knew she wasn't getting all the benefits of the green deal. But she didn't agree to it being removed entirely. She thought, for example, that she would continue to get the five-year warranty that's offered along with it. This warranty is what's known as British Gas's HomeCare 100 package but doesn't include an annual service.

As part of its first offer, British Gas has offered the HomeCare 200 package which includes an annual service but only runs until 2018 (i.e. five years from the date the boiler was installed). Mrs F says she would like a five-year HomeCare 200 package that starts from the date of the boiler's next service. But it seems to me that British Gas's offer reflects what Mrs F would have got under the green deal.

As I note above, British Gas also accepts it has made some mistakes in the way Mrs F's complaint has been handled. So the other part of its first offer is to pay £300 to compensate Mrs F.

British Gas has also recently made another offer to Mrs F. This offer involves British Gas settling the finance with the lender. It will then take £500 off of one of its quotes, transfer what Mrs F has paid to the finance onto that debt and then allow Mrs F to pay off the remainder interest free.

I appreciate Mrs F thinks British Gas has behaved fraudulently. But given what I think it's done wrong, I think either of British Gas's offers is fair. I will leave it up to Mrs F to decide which of these offers she accepts if any.

**my final decision**

For the above reasons, if Mrs F accepts this decision, I direct British Gas New Heating Limited either to:

- Pay Mrs F £300 compensation and put in place a HomeCare 200 policy with annual services in accordance with its offer made before the complaint was first brought to us; or
- Cancel the finance and allow Mrs F to repay the remaining debt by instalments as set out in its offer of 29 September 2015.

It will be for Mrs F to decide which of these options she wishes to take. Alternatively, Mrs F is entitled to reject my decision and pursue other options.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 9 December 2015.

Ross Crawley  
**ombudsman**