

complaint

Mrs H complains about the HomeCare insurance products British Gas Services Limited arranged for her. She's said she was paying for two policies when she only needed one, because one of her boilers had been disconnected.

background

Mrs H has two boilers in her house, and took out two HomeCare policies with British Gas to cover them. In 2009 after one of Mrs H's annual boiler services, a British Gas engineer told her she only needed one boiler to heat the house, and could switch the other one off. Mrs H says she had the second boiler disconnected, but continued to pay for two HomeCare policies.

In 2018, when she replaced one of her boilers, Mrs H realised she'd been paying for two policies and complained. British Gas said the engineer wouldn't have told it if a boiler was disconnected, and it wouldn't get involved in any changes to a customer's cover or policies. It said it would have been for Mrs H to let it know if she wasn't using a boiler and didn't want to pay for a policy to cover it any more.

But British Gas said that, as a gesture of goodwill, it would refund half the premiums Mrs H had paid for her second policy over the previous six years – plus interest. It also offered to refund £65 because it didn't carry out an annual boiler service in 2016.

Our investigator looked into things and thought British Gas needed to do more to put things right. She said it hadn't made it clear enough to Mrs H she was paying for two policies, and if it had done so Mrs H would have cancelled one of them. So she said British Gas should refund half the total premiums Mrs H had paid since her boiler was turned off in 2009.

British Gas didn't agree, and asked for an ombudsman to make a decision. I issued a provisional decision in which I concluded this complaint shouldn't be upheld. In summary I said:

- British Gas's engineers appeared to have serviced both Mrs H's boilers each year, indicating while one wasn't being used it wasn't completely disconnected.
- In any event, it wasn't British Gas's responsibility to assume or guess what cover Mrs H wanted.
- I was satisfied the renewal notices made it clear Mrs H was paying for policies to cover two boilers.
- So overall I thought it was Mrs H's responsibility to have cancelled one of the policies if she didn't need it, and I didn't think it would be fair for British Gas to have to refund the policy premiums because she didn't.

British Gas didn't have anything to add following my provisional decision. Mrs H didn't agree with what I'd concluded. She maintained the second boiler had been capped or disconnected. She accepted she should have been more aware of what she was paying for and told British Gas she wasn't using her other boiler and didn't want cover for it. But she said British Gas should accept half the responsibility for the situation.

my findings

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

Having done so I'm not persuaded to depart from my provisional conclusions, and so I reach those same conclusions here. I've considered what Mrs H has said about her boiler being disconnected. But, on balance, I still think it's more likely than not the boiler was connected to the gas supply. British Gas's service records show readings were taken from both boilers at each service. I don't think that would have happened if one boiler wasn't connected.

In any event, I don't think that issue affects what is fair and reasonable in the circumstances of this complaint. Whether the boiler was, at some point, disconnected or merely switched off, Mrs H had two boilers and separate policies covering each. When it came to renew her policies British Gas wasn't advising her on which ones she should keep – and it wouldn't have been appropriate for it to have done so.

I'm satisfied, for the reasons I gave in my provisional decision that Mrs H ought to have known at each renewal she was paying for two policies but only using one boiler. If she wanted to cancel one of the policies that's something she'd have needed to tell British Gas. I don't think it would be fair to hold British Gas responsible for not cancelling one of the policies on her behalf. I think it gave Mrs H clear information about her policies, to allow her to make an informed decision about what she wanted to do.

I don't doubt that Mrs H simply skimmed the renewal letters and continued to renew a policy she'd been happy with. I have sympathy for her as I'm sure she would have cancelled the second policy earlier if she'd realised she had it. But that isn't to say British Gas should be held responsible for that not happening, where the information it provided was clear.

British Gas didn't carry out all the services it was supposed to, and I'm pleased it's offered to refund some of Mrs H's premiums to account for that. And it's offered to refund part of Mrs H's premiums for the last six years. For the reasons I've given I don't think it needs to do anything more.

my final decision

My final decision is that I don't uphold this complaint. I think British Gas Services Limited's offer is fair, and I leave it to Mrs H whether or not she wants to accept it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 5 December 2018.

Luke Gordon
ombudsman