

## **complaint**

Mrs K's daughter, Mrs L, complains on behalf of Mrs K that British Gas Services Limited mis-sold a finance agreement when Mrs K bought a boiler.

## **background**

Mrs K says that when she agreed to buy a boiler from British Gas in 2007, the representative gave her the option of paying in cash or by instalments. Mrs K says that she chose to pay by instalments because she did not have the cash in the house, although she had the funds to pay for the boiler outright. However, she says that the financial agreement was never explained to her and that she did not realise that she would be paying it back over ten years with such a high amount of interest payable. She says that she assumed that it would work on the same basis as a previous agreement that she had with British Gas where she paid the cost of the boiler back, interest-free, over two years and that the payments were added to her gas bills.

Our adjudicator did not recommend that the complaint should be upheld. He found that Mrs K had signed the agreement which clearly specified the duration of the agreement and the interest payable. He could find no evidence that the agreement had been misrepresented.

Mrs L responded to say, in summary, that her mother had not been told details of the repayments and had not been offered any alternatives to the ten-year finance deal. In addition, Mrs L says that her mother was not told of her cancellation rights and that the first letter she received was after the 14-day cooling off period.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

As the adjudicator explained, when the evidence is incomplete, as is the case here, I must make my decision based on the balance of probabilities. I have seen evidence that Mrs K had funds available to pay for the boiler up front, but it is not in dispute that she decided to pay in instalments. I acknowledge that Mrs L says that her mother was not given any option other than to pay over ten years, but British Gas has confirmed that that was the only option at that time. I have also seen the finance agreement which was signed by Mrs K. This clearly states the duration of the agreement and the interest payable. The welcome letter, sent a month after Mrs K signed the agreement, also states the number of instalments that are due and, although Mrs L has pointed out that this was sent after the 14-day cooling off period, there is no requirement for it to be sent within that time. Therefore, although I cannot be sure what was discussed at the time Mrs K signed the agreement, I do not have enough evidence to conclude that the finance agreement was misrepresented.

I also note that Mrs K believed that the instalments arrangement would be on the same basis as a previous boiler purchase, but British Gas has not been able to find any documentation of this. It has said that its records only go back as far as 2000 and, therefore, if the installation took place prior to this, it would not be able to provide any details. I do not find this to be unreasonable.

Finally, I acknowledge that Mrs K is concerned that the outstanding balance on her loan is reducing very slowly. This is due to the interest charge being much higher at the beginning of the loan and I would like to assure Mrs K that the balance on her loan will reduce more quickly towards the end of the ten years.

**my final decision**

My decision is that I do not uphold this complaint.

Amanda Williams  
**ombudsman**