

The complaint

Mrs P complains that British Gas Insurance Limited is responsible for poor service in connection with a home emergency insurance policy.

What happened

Where I refer to British Gas I refer to the insurance company of that name and I include other companies and individuals insofar as I hold British Gas responsible for their actions.

In November 2018 Mrs P renewed a British Gas policy with cover for kitchen appliances including a fridge freezer. The policy terms provided the following:

*“A contribution towards a **replacement** if we can’t **repair** it or we decide it will cost less to **replace** than to **repair**. We’ll source the **replacement** from our approved supplier and make the following contribution based on their current retail selling price:*

- *100% if your appliance is less than three years old*
- *30% if your appliance is three years old or more*

You may use our contribution towards an alternative model of your choice from our approved supplier. There is no cash alternative.”

Mrs P’s fridge freezer was more than three years old. In June 2019 British Gas couldn’t repair it. She dealt with the approved supplier. In the end she received vouchers to the value of £216.82 and used them to buy a new appliance from a well-known retailer.

Mrs P complained about the service from the approved supplier.

British Gas sent a final response dated 18 July 2019. It said it was sending a cheque for a further £20.00 for inconvenience. Mrs P brought her complaint to us in August 2019.

Our investigator didn’t recommend that the complaint should be upheld. He thought that - whilst certain aspects of the process could’ve been improved - the offer was fair and reasonable in the circumstances.

Mrs P disagreed with the investigator’s opinion. She asked for an ombudsman to review the complaint. She says, in summary, that:

- British Gas is not upfront about the limited options for reimbursement.
- The approved supplier’s labour and delivery prices were expensive.
- By rejecting the approved supplier, she had to take on a lot of research. A £20.00 cheque was not enough for the work and stress.

What I’ve decided – and why

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

Mrs P has said her old appliance was split 70/30 between fridge and freezer. It was "integrated" in an existing cabinet with separate wooden doors for the fridge and for the freezer. So the replacement had to have the correct dimensions to fit.

The policy said that British Gas would source a replacement through the approved supplier.

I'm satisfied that British Gas identified Mrs P's appliance and a reasonable replacement for it. It calculated 30% of the cost of such a replacement.

But the policy didn't cover the following:

"Disconnecting and disposing of your old appliance, or unpacking or installing new ones".

And Mrs P didn't accept the approved supplier's price of about £178.00 for installation of the new appliance and disposal of the old one.

The policy didn't offer a cash alternative for the 30% contribution. So I find that British Gas was making a concession by offering £216.82 in vouchers for two selected retailers. As part of that, Mrs P took on the task of finding a replacement that met her requirements.

Only one of the retailers offered what Mrs P wanted. I have no reason to doubt Mrs P's statement that she narrowly missed the limited period of its offer of half- price installation.

But I don't find British Gas responsible for not sending her the vouchers in less than 24 hours.

Overall I don't find British Gas responsible for treating Mrs P unfairly.

My final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct British Gas Insurance Limited to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P to accept or reject my decision before 22July2020.

Christopher Gilbert
Ombudsman