

The complaint

Mr S complains about the service he received when he made a claim under his Homecare insurance policy with British Gas Insurance Limited.

References to British Gas include its agents.

What happened

In mid-2020, the washer dryer in the flat Mr S rented out to tenants stopped working. Mr S made a claim under his Homecare insurance policy. British Gas sent an engineer around to look at the appliance four days later. The engineer found that replacement parts needed to be ordered to complete the repairs.

Mr S called British Gas after a few days and was told it would be another ten days before the parts would arrive. Mr S was concerned about his tenants being without the washer dryer for an extended length of time. So, he bought a new washer dryer and arranged for it to be installed. He also paid his tenants £200 to compensate them for the time they were without the washer dryer.

Mr S asked British Gas to reimburse him £648.99 for the replacement appliance and the £200 he'd paid to his tenants. British Gas said that in order for it to reimburse Mr S for 100% of the washer dryer, it would need proof that the machine was less than three years old. Mr S said the washer dryer was less than three years old, but he wasn't able to provide evidence of this as it came with the flat.

British Gas said its engineer had confirmed that the washer dryer was more than three years old. This meant Mr S was only entitled to a contribution of 30% of the appliance. But it was willing to increase its contribution to 50% and pay an additional £100 to compensate Mr S for delay and the inconvenience and upset caused. It paid Mr S a total of £424.49.

Mr S remained unhappy, so he brought his complaint to our service. Our investigator looked into Mr S's concerns but didn't think his complaint should be upheld. She thought the amount British Gas had paid Mr S to settle his claim and compensate him for the trouble and upset he'd experienced was reasonable.

Mr S disagreed with our investigator's view. He said there was no guarantee the machine would have worked after the repairs had been made. He didn't have any other choice than to replace the washer dryer because his tenants had young children and couldn't leave the house to wash their clothes because of the coronavirus pandemic. Mr S said didn't think the 30% contribution was relevant because the washing machine wasn't beyond economical repair. So, Mr S's complaint has been passed to me to decide.

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.

Having done so, I've decided not to uphold Mr S's complaint. I'll explain why.

The terms and conditions of the policy refer to "*reasonable timescales*" and say: "*We'll carry out any repairs or visits you're entitled to within a reasonable time, unless something beyond our control makes that impossible – in which case we'll let you know as soon as possible and give you another time when we can visit*".

British Gas was first made aware that the washer dryer wasn't working on 29 June 2020. Mr S says his tenant was initially told that an engineer wouldn't visit until 10 July. After Mr S called British Gas himself, it accepted the repair was an emergency and agreed to send someone around the following day. But the engineer didn't arrive until 3 July 2020.

Mr S says that when he called British Gas on 6 July 2020, he was told it would be a further 10 days until the parts were expected to arrive. I can understand why this delay and uncertainty would have been of particular concern to Mr S, given what was happening at the time. He was worried about the impact being without a washer dryer was having on his tenants, with two young children during the coronavirus pandemic.

British Gas says the delay in getting the replacement parts was due to the coronavirus pandemic. I think it should have recognised that waiting for these parts was unacceptable, when it became apparent that the earliest the washer dryer was likely to be fixed would be more than two weeks after being notified of the claim. I think at that point British Gas should have sought to settle the claim another way.

The policy's terms and conditions say British Gas will cover:

"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 be required to provide proof of purchase to help verify the appliance value..."

As it happened, Mr S agreed for his tenants to order a new washer dryer. I can understand why Mr S did this under the circumstances. And I think it's fair for British Gas to pay a contribution towards this in line with the terms of the policy.

Mr S feels that British Gas should reimburse him 100% of the cost of the washer dryer. But he hasn't been able to provide any evidence that the washer dryer was less than three years old. And the British Gas engineer says it was more than three years old. So, on balance, I think the washer dryer was more likely to be over three years old.

Mr S has commented that the above term isn't relevant because the washer dryer wasn't beyond economical repair. But the term doesn't only apply to appliances that are beyond economical repair. It also refers to appliances British Gas "*can't repair*". While it might have been possible to repair the washer dryer, it would appear that British Gas wasn't able to do this within a reasonable timescale. So, I think it's reasonable to conclude that Mr S was only entitled to 30% of the value of the washer dryer under the terms of the policy.

British Gas has acknowledged the trouble and upset caused to Mr S because of the delay in settling the claim. It increased its contribution to 50% of the washer dryer and paid Mr S an additional £100 compensation. The full cost of replacing the washer dryer was £648.99. 30%

of this is £194.70. British Gas has paid Mr S £424.49, which means it's paid him an additional £229.79.

Mr S says he paid his tenants £200 to compensate his tenants for the time without the washer dryer. I haven't seen anything to show me that Mr S was obligated to pay his tenants this money. But I can understand why Mr S felt the need to pay them something to compensate them for the frustration and inconvenience they experienced. So, I think it's fair to say that Mr S experienced *some* financial loss because of British Gas's actions. But I think the additional £229.79 British Gas has paid Mr S is reasonable.

I know my answer will be disappointing for Mr S. But, having considered everything, I think the steps British Gas had already taken to put things right before Mr S came to our service were fair and reasonable. So, I won't ask it to do anything further.

My final decision

For the reasons I've explained, I don't uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 27 May 2021.

Anne Muscroft
Ombudsman