

The complaint

P complained about how his claim was handled and ultimately settled by British Gas Insurance Limited ("British Gas") under his Homecare policy which included appliance cover.

What happened

P made a claim to British Gas when his washing machine broke down. British Gas sent an engineer to investigate the fault. The engineer diagnosed the issue, but unfortunately said the washing machine couldn't be repaired as the necessary spare parts for that machine couldn't be acquired.

British Gas said the replacement machine would take some time to be sourced and installed. As P wanted a replacement sooner, British Gas offered vouchers which represented a 30% contribution to the new machine. However, P didn't accept the offer.

P purchased a new washing machine without any contribution from British Gas. They kept their old one as evidence as they didn't think the engineer's assessment was correct, as they thought British Gas had rushed the assessment. P wants British Gas to re-assess the broken washing machine and see if it could've been repaired. P wants British Gas to reimburse the cost of the new machine.

A date couldn't be agreed for British Gas to re-assess the machine, so British Gas paid a 50% contribution to the machine and a goodwill payment of £100. P didn't accept this as final resolution.

Our investigator decided not to uphold the complaint. She said appliance cover wasn't added to the policy until after the fault was reported by P. She thought in the circumstances the resolution offered by British Gas was fair, as any remedy wasn't required under the policy. P disagreed, so the complaint has been referred to an ombudsman.

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.

I have checked the history of P's cover with British Gas. When P reported the claim for the washing machine, P had "Homecare 3" cover which included central heating, plumbing and drains cover. The kitchen appliance cover wasn't added until two days later.

British Gas has pointed out that the terms and conditions had an exclusion, where the policy doesn't cover anything that happens in the first 14 days of the cover being taken out. In other words, the policy wouldn't have covered the washing machine at the time it broke down as the policy had only just been activated. I have checked this in the policy. I can confirm British Gas has been fair in representing the terms of the policy.

British Gas admitted it made a mistake in allowing an engineer to inspect the washing machine. It said it shouldn't have done as the machine wasn't covered. However, I see it has

still paid a 50% contribution to the new machine and a goodwill payment. British Gas investigated the engineer's diagnosis. The engineer confirmed the broken machine needed a part that was obsolete. Therefore, I think British Gas has been reasonable in confirming a further investigation would be pointless, as the part needed to carry out a repair to the machine was no longer available.

Given British Gas had no liability under the policy, I think it has been reasonable in contributing to the machine as a goodwill gesture. I don't think it would be fair to ask them to re-inspect the machine or provide any further contribution. So, I don't uphold this complaint.

My final decision

- My final decision is I don't uphold this complaint, I don't require British Gas Insurance Limited to do anymore.

Under the rules of the Financial Ombudsman Service, I'm required to ask P to accept or reject my decision before 1 June 2023.

Pete Averill
Ombudsman