

The complaint

Mr O complains about the service he received from British Gas Insurance Limited (British Gas) after his fridge freezer stopped working.

What happened

In September 2023 Mr O's fridge freezer stopped working so he purchased a kitchen appliance breakdown insurance policy from British Gas. This provided cover for the breakdown that had already occurred, along with ongoing cover for breakdowns for the next year.

An engineer attended and determined there was an issue with the compressor and control switch. They ordered parts and said they'd return within seven days to carry out repairs. However, shortly after, Mr O was then informed that parts wouldn't be received by British Gas for a further month, and once received they would be checked, and an appointment then scheduled to carry out the repairs.

Mr O complained to British Gas about the timescale until repairs could be carried out. Mr O also made British Gas aware that the parts were available on the manufacturer website with next day delivery.

Ultimately, due to the delays, British Gas offered a contribution towards a replacement fridge freezer. The policy provided for a 30% contribution from British Gas, but they increased this to 50% and offered a further £35 compensation.

As Mr O remained unhappy, he approached the Financial Ombudsman Service.

One of our investigators looked into things and upheld the complaint. He said that Mr O made British Gas aware early on that the parts were readily available from the manufacturer, and given the estimated repair timescales, he thought British Gas could've done more in attempting to obtain replacement parts.

Whilst the investigator recognised British Gas had paid a 50% contribution towards a replacement appliance and £35 compensation, he didn't think this was enough. So, in addition to this, the investigator recommended a further £75 compensation should be paid

British Gas didn't agree so the case was passed to me for a final decision.

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 reached the same outcome as our investigator.

Mr O took out the policy after his fridge freezer stopped working on 10 September 2023. An engineer attended on 14 September 2023 and Mr O was told repairs would be carried out

within seven days. However, Mr O was then told parts would actually take until 25 October 2023, around a month later, and an appointment would be made after then to carry out the repairs. I can understand why Mr O would be unhappy with this timescale, given he didn't have a working fridge freezer.

I accept parts delays more widely may be outside British Gas' control. However, the policy terms confirm:

"Replacement parts

We'll try to get parts from the original manufacturer or our approved suppliers."

Mr O made British Gas aware on 3 October 2023 that the parts required were readily available from the manufacturer, with next day delivery. Despite Mr O making British Gas aware of this, I can't see that they acted on this information. British Gas has said they have to go via a supplier which takes longer than directly from the manufacturer. But the policy terms do say British Gas can also try to get parts from the original manufacturer rather than the approved supplier, but they didn't. British Gas' notes also indicate that the revised estimate of 25 October 2023 was also later further extended to 10 November 2023.

So, since taking out the policy, it would have been at least two months that Mr O would've been waiting for repairs (assuming the parts were received 10 November 2023 and this timescale wasn't further extended). Whilst British Gas says the terms don't guarantee a timescale for repairs, I do think this amount of time without a fridge freezer is excessive, and given parts were available from the manufacturer, I think British Gas could've done more.

For example, the policy terms say:

"Or you can give the engineer a replacement part that you've bought yourself, that we approve, but we'll only accept responsibility for our workmanship."

So, rather than waiting on British Gas' supplier receiving the parts some weeks down the line with only an estimated timescale, British Gas could've explored this option as an alternative, for example, Mr O buying the parts and being reimbursed by British Gas and then them repairing the appliance with those parts. But I can't see that Mr O was given that as an option, or any other options for repair, even though parts were available, for next day delivery, from the manufacturer.

Instead, British Gas offered a contribution towards a replacement appliance at the end of October 2023, which was around six weeks after the engineer visit. It only got to this stage because Mr O was unhappy and complained about the timescales and asked British Gas to replace the appliance.

The policy terms allow for a contribution of 30% from British Gas for appliances over three years old, and British Gas increased this to 50%. This meant British Gas provided a £452.54 contribution rather than £271.52 that the policy terms provided for. And in addition, a further £35 compensation was paid.

However, I agree with our investigator that this isn't quite enough in the circumstances for what happened. It's clear things took too long, and British Gas could've explored other options sooner, especially given Mr O had made them aware some weeks before they offered a contribution that parts were readily available from the manufacturer. Mr O has explained that not having a fridge freezer caused him significant inconvenience, impacted on his ability to store food, and he wasn't able to have a relative, who had dietary needs which required a fridge, visit him as planned. Mr O also had to chase British Gas a number of times in an attempt to move things forward.

Whilst I note British Gas increased the contribution towards a replacement appliance from 30% to 50%, and paid £35 compensation, I agree with our investigator that a further £75 compensation would be fair and reasonable in all the circumstances of the case.

My final decision

It's my final decision that I uphold this complaint and direct British Gas Insurance Limited to:

- Pay Mr O a further £75 compensation

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 19 August 2024.

Callum Milne
Ombudsman