

The complaint

Mrs R is unhappy with the way British Gas Insurance Limited handled the claim she made for issues with her oven.

What happened

Mrs R's complaint has been brought to the Financial Ombudsman Service through a representative. But for ease of reference, I'll only refer to Mrs R by name in the decision, even when referring to evidence or arguments put forward by her representative.

Mrs R held a home emergency insurance policy with British Gas. This included kitchen appliance cover which provided cover for, among other things, her oven. Mrs R made a claim to British Gas for issues with her oven, which was accepted, but she was unhappy with the initial offers of settlement she received.

British Gas initially offered Mrs R the choice between a different oven, which British Gas said was suitably equivalent, or the cash equivalent of around £677. After complaining about this, Mrs R was eventually offered a voucher for the full replacement value of her oven (£1,599) but she faced further issues in receiving a voucher for the correct amount.

Mrs R has complained that because of the poor claim handling, she was without use of an oven for around three months. She says this impacted her ability to eat healthy meals, which was detrimental to her mental health, and that it exacerbated a shoulder injury she had because she was forced to use a microwave above shoulder height to cook some of her meals. She also says the customer service she experienced when trying to get things resolved was poor. Mrs R is seeking fair compensation from British Gas for the impact of its service failings.

British Gas initially offered Mrs R £120 compensation. It then increased this offer to a total of £400 when Mrs R's complaint was referred to the Financial Ombudsman Service. But Mrs R has said she is seeking compensation in the region of £2,000, given the level of poor service she experienced and the impact it had on her.

One of our investigators considered the complaint, and initially felt the £400 was fair. But after being provided with evidence of the impact the delays had on Mrs R's injury, she thought British Gas should increase the compensation to £650.

British Gas accepted our investigator's recommended increase in compensation. But it said this offer was without prejudice to any future personal injury claim Mrs R might decide to make.

Mrs R didn't respond to confirm whether she accepted the increased compensation or not. So, as no agreement has been reached, the 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.

I've also thought carefully about British Gas's obligations under the relevant industry rules, when deciding on an outcome that I consider to be fair and reasonable in all the circumstances.

Having done so, while I appreciate it may come as a disappointment to Mrs R, I agree with the outcome reached by our investigator. I'll explain why.

It's not in dispute that the service Mrs R received during her claim fell short, nor that she was without the use of her oven for three months as a result. What remains for me to decide is what fair compensation for the impact of these issues should be. So, I'll focus on that.

Mrs R has explained that she found being without her oven difficult as it impacted her ability to cook and eat healthy meals, which is important to her health and mental wellbeing. She's also said that the unfair offers she received initially and the lack of certainty around whether, and when, she'd receive a fair settlement caused her a great deal of worry and anxiety. More recently, Mrs R has also provided evidence of her shoulder injury and explained that the prolonged use of her microwave for cooking, because of British Gas's failings, exacerbated the injury and caused her avoidable pain and suffering.

I've thought carefully about all the evidence and arguments provided. In deciding an award for fair compensation, I'm able to consider the distress, inconvenience, pain and suffering Mrs R experienced as a result of British Gas's failings. But I also need to consider Mrs R's actions, and what, if any, reasonable precautions she took to mitigate the impact of the issues she was experiencing.

Taking everything into account, I agree that British Gas's original settlement offers were unfair, and that the level of customer service Mrs R received throughout her claim fell short of her reasonable expectations. So, I'm satisfied British Gas caused unnecessary and avoidable distress and inconvenience over a period of several months.

In terms of the pain and suffering, I accept that Mrs R was without her oven because of British Gas's failings, and so some use of the microwave may have been unavoidable. But given the nature of her injury and the medical advice Mrs R has highlighted about not extending it beyond 90 degrees, I'm not persuaded that it would be reasonable to hold British Gas wholly responsible for Mrs R's decision to continue to regularly use her microwave over this three-month period. Particularly as I'm aware that there was still a working ring of her hob, which could have been alternatively used to prepare meals. So, I don't think it would be fair to hold British Gas solely responsible for the pain and suffering Mrs R experienced as a result of using the microwave during this period.

However, I do agree that it was ultimately British Gas who caused Mrs R to be without her oven for an unreasonable length of time, and I accept that Mrs R suffered from avoidable distress, inconvenience and some avoidable pain and suffering as a result of British Gas's failings.

Taking everything into account, including everything Mrs R has said about the impact British Gas's errors had on her specifically, I think British Gas should pay her a total of £650 compensation to put things right.

My final decision

For the reasons I've explained above, I uphold Mrs R's complaint.

British Gas Insurance Limited must pay Mrs R a total of £650 compensation for the avoidable distress, inconvenience, pain and suffering its failings have caused her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 6 September 2024.

Adam Golding
Ombudsman