

The complaint

Mr L is unhappy that British Gas Insurance Limited ("BG") declined his claim for repair of his fridge-freezer.

What happened

The background to this complaint is well-known to both parties, so I've summarised what I think are the key events.

For around 15 years, Mr L had a home emergency policy underwritten by BG, which provided cover for his central heating, plumbing and drains, and mains electrical system. When his fridge freezer broke, Mr L contacted BG to claim under the policy.

BG told Mr L that his policy didn't provide cover for his appliances. Unhappy with its response to his claim, Mr L complained. He said he believed his policy provided cover for appliances and he referred to a letter BG had sent, in June 2020, in which it said cover was available for his fridge freezer.

On 21 November 2024, BG sent its final response to Mr L's complaint. It said the letter to which he referred was a generic letter, sent out after covid lockdown restrictions lifted, advising its customers of the services that had become available again. BG said the letter did not indicate that Mr L had all of the cover shown.

Unhappy with its response, Mr L brought his complaint to us. Our investigator didn't uphold the complaint. She said the renewal letters provided, which were dated from 2018 onwards, confirmed that Mr L's cover was for heating, plumbing, and mains electrical systems. Our investigator said BG had responded to Mr L's claim in line with the cover he'd paid for, therefore she didn't think BG had done anything wrong.

Mr L didn't agree. He thought the letter BG provided a copy of was different to the one he'd received, suggesting it had something to hide. He asked for an ombudsman to consider his complaint.

So, the complaint was 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, while I'm sorry to disappoint Mr L, I've decided not to uphold his complaint for broadly the same reasons as our investigator.

The Financial Conduct Authority's rules (ICOBS 8.1.1) say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. Its rules and guideline say a business should provide support and help with understanding, and enable customers to pursue their financial objectives.

The policy sets out the detail of the contract between Mr L and BG, so in deciding whether BG declined the claim fairly, I've taken into consideration the terms and conditions. My decision is not based just on the policy – I have also considered the regulator's rules, the submissions made by both Mr L and BG, and what I think is fair and reasonable in the overall circumstances.

Policy

To begin with I've looked at whether the policy covered Mr L's fridge freezer when he claimed. As stated above, the policy provides cover for mains electrical systems. Also, the insurance product information document clearly states:

What is not insured
X Electrical appliances

Therefore, I'm satisfied that BG correctly explained to Mr L that there was no cover under his policy.

June 2020 letter

Mr L felt that the letter BG sent to him indicated his fridge freezer was covered. I've looked at the letter and I'm satisfied that it's an update letter, following lockdown restrictions being lifted, which lists the other types of cover BG offered to its customers.

While I can understand that Mr L might've seen the fridge freezer reference and had that in mind when his broke four years later, I don't think the letter suggests any sort of policy upgrade or that all cover listed was available to Mr L. That's supported by the fact that a landlord safety check is also mentioned, and I haven't seen that Mr L wanted or needed landlord cover.

I've noted Mr L's concern that the letter BG provided was different to his, suggesting it had something to hide. BG provided us with more than one letter and the wording is a little different on each. I've seen the same letter issued to Mr L in its file. Therefore, I don't find that BG has amended the letter to suit its position.

I've thought about whether BG handled Mr L's claim fairly in the circumstances. While cover was not available to him under the policy, it offered to add appliance cover so that repairs could be carried out. It would've been a chargeable addition but it would've meant that Mr L could have his fridge freezer repaired. He declined the offer. Nevertheless, I think BG treated Mr L fairly by making the offer.

Overall, I'm satisfied that BG reasonably declined Mr L's claim for his fridge freezer because cover was not available to him under his policy. I think it tried to help him with the offer of adding cover to his policy, which was fair and reasonable in the circumstances. Therefore, I don't find that BG treated Mr L unfairly.

My final decision

For the reasons I've given, my final decision is that I don't uphold Mr L's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 19 September 2025.

Debra Vaughan

Ombudsman