complaint

Mr G complains about the service he received from British Gas Insurance Limited under his appliance care insurance policy.

background

Mr G complained to BG that it had declined to repair his tumble dryer.

BG offered to refund the £38.10 premiums Mr G had paid and to increase this to a total of £50 as a gesture of goodwill for the trouble and upset he'd experienced.

Mr G thought BG should make a 100% contribution towards the cost of a new tumble dryer in the circumstances. So, he complained to this service.

Our investigator thought Mr G's complaint shouldn't be upheld.

Mr G disagreed with the investigator's conclusions. So, the matter's been referred to me to make a final decision.

Having considered this matter I was minded to conclude BG should pay Mr G a further £50 compensation to properly reflect the trouble and upset he'd experienced. The parties' comments on my proposed increase in compensation are taken into account in this final decision.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I've decided to partly uphold Mr G's complaint and to ask BG to pay him a further £50 compensation for the trouble and upset he's experienced. I'll explain why.

Mr G says when his previous tumble dryer was deemed uneconomical to repair in July 2016 BG contributed 30% towards the cost of a new one under his policy. He says in May 2017 his new tumble dryer stopped working, but when BG attended he was advised the appliance wasn't service listed, so BG wouldn't repair it. And he says under his policy he's entitled to a 100% contribution towards a replacement appliance because BG was unable to repair his tumble dryer, which was less than three years old.

Mr G also questions whether it's reasonable for BG to withdraw cover when a claim's been made after an insured event's happened.

BG says the tumble dryer Mr G bought in 2016 isn't service listed, so unfortunately BG isn't able to cover it. It says it can't cover any appliance that isn't service listed as it means that parts and instructions on how to complete repairs aren't readily available. It says this means it can't honour any breakdown callouts. And it says in these circumstances Mr G's entitled to a refund of the payments he made towards cover for the tumble dryer.

BG also says it covers most makes and models of kitchen appliances, but there are a few exceptions. It says if a customer replaces an appliance it doesn't have a list of covered appliances it shares with the customer at the time. It says the cover isn't subject to any visit to check that an appliance is service listed. And it says the process it follows is to continue with the cover. But if it's called out to a repair and identifies that it can't cover the appliance, it cancels the product and refunds the premiums paid, as appropriate.

In addition, BG says its policy terms refer to replacement appliances being sourced from its 'approved supplier'. It says it feels this explains the supplier isn't part of BG. And it says it doesn't feel it's under any obligation to check to ensure a replacement it provides is an appliance it can cover, especially as this can change over time. So, BG says it's followed the correct process where it identifies it's unable to cover an appliance and an engineer's visit's needed to determine this, therefore it doesn't agree further compensation's due to Mr G.

I think it's clear that under the terms of Mr G's policy, BG had the right to withdraw cover for his tumble dryer when it discovered the appliance wasn't service listed. But Mr G's told us he understood the appliance had been supplied by BG and he expected it would only supply appliances it could cover under its policies. I note What BG's told us about the wording of Mr G's policy, but I think it could've done more to make clear to him that the supplier isn't part of BG. And that replacement products sourced through its approved supplier may not be covered under BG's policies.

I see Mr G's tumble dryer's been repaired under the manufacturer's warranty. So, I don't think it would be reasonable for me to require BG to cover the cost of a replacement appliance, in the circumstances. But I think Mr G suffered trouble and upset as a result of this situation. I see BG's recognised this and it's offered him a goodwill payment of around £12 in addition to refunding his premiums of around £38 for the tumble dryer. But I don't think this adequately reflects the extent of trouble and upset Mr G experienced as a result of this situation. And I think it would be fair for me to require BG to increase the payment it makes to Mr G to a total of £100, including the refund of his premiums for the tumble dryer. So, I partly uphold his complaint on this basis.

my final decision

I partly uphold Mr G's complaint against British Gas Insurance Limited. It must pay him a total of £100, including the refund of premiums of £38.10 and £61.90 compensation for the trouble and upset he experienced as a result of this matter.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 27 December 2017.

Robert Collinson
ombudsman