

complaint

Mrs C is unhappy because British Gas Insurance Limited (BG), under a service agreement she has with it, organised a replacement oven which doesn't cook food in the same way the previous one did.

background

BG couldn't repair Mrs C's oven so offered, in line with the policy, to pay 30% towards a new one for her. Mrs C told BG to fit a replacement. She says she didn't choose the item – she told BG to just fit one like the one she had before. After the replacement was fitted Mrs C found it was burning food all the time – she hadn't had this issue before. BG checked the oven and found no fault. Mrs C found out that the oven was of continental style (heated from under the floor of the oven); her old one had burners at the back of the bottom.

BG told Mrs C that it had replaced the oven on a like for like basis and that there was no fault. It said it wouldn't replace it. Mrs C complained to this service and BG told us that it hadn't replaced on a like for like basis and had no obligation to under the policy. It said all it had to do was provide a contribution and it worked this out on the basis of the cost of items with a similar function, it then offers a replacement on this basis. But, it said, it was always up to the consumer to check the item was suitable.

Our investigator felt that BG hadn't done anything wrong. Mrs C pointed out that she hadn't been given any choices in replacement or any details. BG said this is what would have happened. When our investigator told Mrs C that their view hadn't changed, Mrs C asked for an ombudsman to consider her complaint. I did and I issued a provisional decision.

Both parties have now responded; Mrs C thinks the outcome I set out was fair while BG felt it had done all it needed to. To support this it provided a summary of a transcript it had seen of the call Mrs C had with the BG advisor about replacement. BG said its advisor had discussed some specifications with Mrs C to check she was ok with the item before ordering it. This new evidence doesn't change my view. My final findings, which incorporate my provisional ones, along with my thoughts on this new evidence, are set out below.

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 still seen no first hand evidence of what Mrs C was actually told. Taking BG's transcript summary at face value though for a moment; it does seem as though Mrs C might have had a discussion with it about some of her general needs and wants. So the colour was discussed, which way the door opens. But I don't see that this conversation gave, in this instance, Mrs C the key information she needed to know about the item BG was ordering ie its distinct difference from the item she had before. While Mrs C didn't have access to the internet BG could have offered to send her the full specifications for further consideration but it didn't. So BG, in my view didn't act fairly because it didn't provide sufficient information for Mrs C to make an informed choice about what was being provided.

And I'm satisfied that the oven it provided to Mrs C doesn't cook things in a 'similar' way to the one she had before. Admittedly it cooks using gas but that seems like a very narrow (and, therefore, potentially unfair) interpretation of the phrase "*similar function*".

Overall it occurs to me that Mrs C had this policy in order to give herself peace of mind that when a fault occurred with her existing appliance she would be able to get it replaced with little hassle. I think it was reasonable for her to expect to get an oven which was similar to that she had before ie functioned in a similar way. And I think it was reasonable for her to trust BG to do that and rely on what it told her. I also think it would have been reasonable for her to expect that any significant difference would be flagged with her before installation in order she could make an informed decision about what was being installed in her home. So I think BG let Mrs C down in this instance.

I'm going to require BG to replace the oven. However, I have to take into account that BG is only required to pay 30% towards replacement. I don't know what the cost of a 'similar replacement to that which Mrs C had before – including having burners at the back of the bottom', would be. Therefore, BG will have to determine that cost and calculate its percentage contribution for that figure in order to determine what Mrs C should have paid it for replacement. The cost to Mrs C can then be considered against the price she has paid already and either a refund provided (if she's paid more), or an additional contribution from Mrs C made (if she hasn't paid enough already). To be clear though, BG won't be able to charge for its removal and installation costs again.

I understand that it has been quite inconvenient for Mrs C to have an oven which keeps burning food. Mrs C has explained that lots of food has been wasted and she's also had to try and keep getting up and down to check food while cooking (which is particularly difficult for her and not something she had to do before). BG should compensate her for the inconvenience it has caused. I'm going to award £100 compensation.

my final decision

I uphold this complaint.

I require British Gas Insurance Limited to, having considered prices and whether Mrs C is due either a refund or to pay it more, replace the oven with one of similar function which would reasonably include the oven heating from the back of the bottom.

I also intend to require British Gas Insurance Limited to pay Mrs C £100 compensation. It will have to pay this within 28 days if the date upon which we tell it Mrs C accepts my final decision (if she does). If it pays later then interest* will have to be added.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 13 November 2017.

Fiona Robinson
ombudsman

*Interest is at a rate of 8% simple per year and paid on the amounts specified and from/to the dates stated. If British Gas Insurance Limited considers that it's required by HM Revenue & Customs to take off income tax from any interest due to Mrs C, it should tell her how much it's taken off. It should also give Mrs C a certificate showing this if she ask for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.