

The complaint

Mr R is unhappy about the service provided by British Gas Services Limited (BG) when he claimed about a dishwasher fault under his appliance insurance policy

What happened

Mr R had an insurance policy with BG which provides for the repair of kitchen appliances or replacement if it can't be fixed.

Mr R reported a fault with his dishwasher on 4 March 2019. An engineer attended on 14 March. There were repeated issues sourcing parts and several unsuccessful visits from engineers. Mr R said he had to make many calls to chase things up. On 2 May an engineer attended but didn't make a repair as he was worried about damaging the fitted kitchen around the dishwasher. Mr R had to arrange for a kitchen fitter to come and remove and subsequently refit the items, which he said cost £100.

On 21 May an engineer attended but the repair couldn't be completed. The next day BG decided to replace the machine. After a week Mr R chased things up and was told to call a different department, who didn't know anything about it. After further chasing by Mr R a new dishwasher was installed on 7 June.

Mr R complained about the poor service and the inconvenience caused by three months of delays, including several weeks with a portion of his kitchen dismantled. BG apologised. It said the problem sourcing parts which had caused most of the delay was outside its control. This led it to offer to replace the dishwasher even though it was probably repairable. It said the policy didn't cover works required to access appliances. It offered Mr R £130 compensation as a gesture of goodwill.

Mr R didn't think this was adequate as he'd paid £100 to the kitchen fitter and been messed about. He thought £300 was a reasonable figure and referred his complaint to our service. Our investigator looked into it. Initially he took the view that the £130 offered in respect of the poor service Mr R had suffered was inadequate and recommended a further £70 be paid to give £200 in total.

BG disagreed. It said that in addition to the £130 compensation it had also covered the cost of installing the new dishwasher and removing the old one. This cost £106 but wasn't covered under the policy. This meant Mr R had already received £236 in compensation. Our investigator updated his view saying this was fair and reasonable as it was more than he would recommend in the circumstances.

Mr R disagreed and raised a number of points. He felt as it was BG who decided to replace rather than repair the dishwasher, the removal and installation costs shouldn't come into it. Also, as most kitchens now have integrated appliances, work to access them is part of the job. He said by repairing or replacing the dishwasher BG was only doing what the contract required. So, compensation should cover the poor service issues, delays and inconvenience he had suffered, not aspects that were necessary to deliver on the contract.

As Mr R doesn't agree the complaint has passed to me to decide.

My provisional decision

I issued my provisional decision on 30 April 2020. In my provisional decision, I explained the reasons why I was planning to uphold the complaint. I said:

I've considered all the available evidence and arguments to decide (provisionally) what's fair and reasonable in the circumstances of this complaint. Having done so, I'm planning to uphold Mr R's complaint. I'll explain why.

I can see why Mr R was annoyed and frustrated by the delays and frequent need to chase progress. Some degree of inconvenience is inevitable when an appliance breaks down, but I think Mr R suffered more trouble and upset than he should have. I need to consider what is and isn't covered by the policy (as set out in the Policy Schedule and the Terms and Conditions -T&C's) to see how the service he received compared to what could be reasonably expected.

I haven't seen any evidence in these documents of anticipated service timeframes other than that these will be "reasonable". Cut off points for a repair to be abandoned and a replacement provided instead don't appear to be set out either. I appreciate that incorrect parts were initially supplied and resulted in delays that weren't BG's fault. But the delay was lengthy, so I think the decision by BG to replace the machine to avoid further delays was reasonable.

I have some sympathy with Mr R's view that installation of the new machine and removal of the old should be part of the package given it was BG's decision to replace rather than repair. But this is specifically and clearly excluded in the policy under the section "What's not included":

"Disconnecting and disposing of your old appliance, or unpacking or installing new ones"

So, in covering these costs BG did more than it needed to under the policy.

I also agree with Mr R's view that in most modern kitchens some degree of removal and refitting of plinths, trims, doors and so on will be needed to access the larger kitchen appliances covered by this type of policy. BG told our investigator this isn't covered under the policy referring to a general exclusion on page 30 of the T&C's:

"Pre-existing faults

Your products don't include cover for any faults or design faults that:

Or prevent access because a part of your system has been permanently built over"

I don't agree that a kitchen appliance installed in kitchen cabinetry or behind wooden plinths and so on could be considered to be either a "design fault" or "permanently built over". The previous point under this clause gives the example of incorrectly installed pipes buried under concrete floors. So, I wouldn't think this exclusion could be reasonably applied to Mr R's dishwasher.

However, the T&C's also set out on page 29 under the section headed "Making repairs" the following:

"Getting access and making good

In addition to the cost of parts and labour, our insurance products and our non-insurance service and repair warranty products cover up to £1,000 including VAT for getting access and making good.”

This clearly suggests that the expenses Mr R incurred from his kitchen fitter are covered by the policy. Mr R says these were £100. So, BG’s goodwill gesture on the installation and removal is largely offset by the error here and Mr R has received around £136 compensation rather than £236.

I think Mr R has had some trouble and upset caused by delays that were in BG’s control and he had to make many calls to chase things up. The handling of the complaint also caused Mr R frustration as the policy does provide relevant cover when BG said it did not. Taking this into account I think overall compensation of £250 would be fair and reasonable for the inconvenience he has suffered.

I asked both parties to send me any more information or evidence they wanted me to look at by 30 May 2020.

Response to provisional decision

BG said: It disagreed with the provisional decision. It said *“It is not clear if the appliance in question is integrated, my understanding is that a cupboard has been built around it.”*

BG also said:

“the getting access and making good clause in the policy which provides up to £1,000 including VAT, I don’t agree this should be applied in this case, this clause is there to cover costs locating a problem/fault, for example making access through concrete floors to locate a leaking pipe. In this case, we had already identified the issue, we simply couldn’t carry out the repair/replacement because the cupboard around the dishwasher prevented us from doing so.”

Mr R said: He accepted the provisional decision. He confirmed that the appliance was a conventional integrated dishwasher, with timber door attached, plinth below and timber fillet pieces either side and above the door. He said when he took the policy out, he had been required to confirm the make and model number of the dishwasher so BG knew from outset it was an integrated model. He says the engineer had removed the wooden parts to access the machine but then wasn’t confident he could reinstate them properly.

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 decided to uphold the complaint in line with my provisional decision. I apologise to both Mr R and BG for the length of time they have been waiting for my decision.

I don’t think Mr R dishwasher was fitted in an unusual manner and it wasn’t *“permanently built over”* so I don’t think it was reasonable to say it couldn’t be accessed because of a cupboard built around it.

Even if BG's engineer wasn't able to do access and refit the dishwasher, I don't agree with BG's interpretation that the clause under "*Getting access and making good*" doesn't apply here. BG Says it is:

"there to cover costs in locating a problem ... In this case we had already identified the issue".

I disagree because the clause doesn't say that it covers only identification of problems. So, I don't think it is reasonable for BG to add this requirement now. BG then provides an example of what the clause would cover:

"making access through concrete floors to locate a leaking pipe".

This argument means that work to physically access, repair and make good a pipe buried in concrete, that could be leaking is covered, but removing and refitting a wooden plinth or fillet to physically access and repair a visibly leaking pipe isn't covered. I don't think that is reasonable.

As the engineer didn't feel confident in refitting the woodwork removed to access the dishwasher, I think this clause does apply here and Mr R's costs should have been covered.

I think Mr R has been inconvenienced more than he should have been, and it is fair and reasonable that BG should pay further compensation of £114 to give £250 overall.

My final decision

For the reasons I've given above and in my provisional decision, my final decision is I uphold the complaint against British Gas Services Limited.

I direct it to pay Mr R a further £114 to bring the total compensation paid to £250.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 2 September 2021.

Nigel Bracken
Ombudsman