

The complaint

Mr J complained because British Gas Insurance Limited declined a claim under his Home Care insurance policy.

What happened

Mr J made a claim towards the end of 2018 because there was a leak in the plumbing in the bathroom/toilet area. One of British Gas's repairers fixed the leak shortly after. About six months later Mr J made a claim for another leak in the same area. British Gas declined this claim. It said the original installation of the pipe wasn't standard; and as a re-pipe was required in order to fix the leak it wasn't covered under the policy.

Mr J paid British Gas's repairer £259.69 to do the repair. But he wants the money back as he feels the claim is covered by the policy. He says the plumbing is old and it leaked, which is what he's covered for. He also thought the work British Gas's repairer did in the first claim might have caused the problem.

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 issued two provisional decisions which ultimately explained why I didn't think the complaint should be upheld. In those decisions I said:

Policy cover

- The policy covered all repairs to the plumbing system. Mr J's claim was for part of the plumbing system that needed repairing because it was leaking. So his claim was covered *unless* it was caught by an exclusion in the policy.
- British Gas had pointed to two exclusions in the policy - one was headed "pre-existing faults" and the other was headed "making any improvements".

Pre-existing faults

- The policy didn't cover any faults (including design faults) that were there when the system was installed or when the policy was purchased. British Gas essentially argued that the plumbing Mr J claimed for wasn't installed correctly when the property was first built, so it wasn't covered by the policy.
- The repairer said there was a leak on the overflow from the cylinder where it connects to the pan connector. He said that to fix the problem he needed to replace the faulty installation and pan connector and re-pipe the overflow from the cylinder. He said this wasn't covered by the policy as the installation was poor and incorrect.
- British Gas further explained that the system was poorly installed because the overflow from the cylinder had been drilled straight into the pan connector from the toilet, whereas it should have been drilled and terminated outside (or at worst been

connected to the horizontal soil pipe with a wraparound boss and non-return valve). It also said it's likely this has been the situation since the property was first built.

- If British Gas wanted to rely on the exclusion and decline the claim fairly, it needed to show that what Mr J claimed for was a fault with the system that pre-dated the policy. I was satisfied it had done that. Although Mr J's claim was for leaking plumbing, it was for part of the plumbing that had been poorly installed. I felt that could fairly be described as a fault. So I concluded that British Gas treated Mr J fairly when it relied on this exclusion to decline the claim.

Making any improvements

- The policy covered the cost of repairing or replacing the plumbing when it stopped working. But it didn't cover the cost of any improvements or upgrades.
- It wasn't clear to me how any repair that involved the replacement of a part didn't constitute an improvement. It might have been exactly the same part, but as it was a new part replacing an old worn out one it would be an improvement. So taking the wording of the policy literally, British Gas could refuse to pay any claim where a replacement part was needed to do the repair. That didn't strike me as fair.
- 'Upgrade' was different as that had been specifically defined in the policy as an improvement that made the system safer or more efficient. The repair invoice Mr J provided said the repairs were "Renewed overflow to combi cylinder, renewed multi quick and installed non return hep20 trap". I didn't know the technicalities of what that meant. But it didn't strike me as something that made the system safer or more efficient. It seemed more akin to a simple repair to fix the leak.
- So I concluded that British Gas treated Mr J unfairly when it relied on this exclusion to decline the claim.

The previous repair

- I didn't find Mr J's argument about the previous repairer's work contributing to the second problem very persuasive. If the repairer's work was substandard there would have been an onus on British Gas to put things right. But there was no independent evidence that the previous repair was substandard. And even if there was, there was nothing that showed it contributed to the second problem.

Overall

- For the above reasons, I felt British Gas had treated Mr J fairly when it declined the claim. It had shown that the part of the plumbing he had claimed for was a pre-existing fault, which wasn't covered by the policy.

Responses to my provisional decision

British Gas agreed with my provisional conclusion but Mr J didn't. He said it wasn't fair for me to take the repairer's word as it was in their interest to say the pipes were faulty. He remained of the view that this was just an ordinary age related leak and wasn't poor workmanship. He felt if the installation had been poor (over 30 years ago) it wouldn't have taken this long for a problem to arise.

In cases like this I rely on the opinions of the experts in the relevant field. That's because I'm not an expert in plumbing (or other house related things like electrics, roofs etc). Consumers

are also entitled to give their opinion, but that will usually carry less weight than the opinion of an expert. So it's entirely fair, in my opinion, for me to take whatever the repairer has said into account when deciding this complaint. I'm not persuaded by Mr J's assertion that it's in the repairer's interest to say the pipes were faulty. Apart from the fact that Mr J has provided no evidence to support this, I think the logic is flawed. It seems to me there's more incentive for the repairer to say the opposite - so that the claim would be covered and British Gas would end up paying the repairer for the repairs. As it was, there was no guarantee that Mr J would have asked the repairer to do the repair - he could have appointed someone else. So the repairer wouldn't have ended up receiving anything for the repair.

I accept what Mr J is saying in that this is just an age related leak - no-one has sought to argue otherwise. But that doesn't mean that what he is claiming for was installed correctly. And it doesn't change the fact that his policy specifically excludes faults that were present when the system was installed or when the policy was purchased.

It remains my conclusion that British Gas treated Mr J fairly when it declined the claim. The expert evidence I've seen suggests, on balance, that the part of the plumbing Mr J claimed for was a pre-existing fault - which isn't covered by his policy.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 22 May 2020.

Paul Daniel
Ombudsman