

The complaint

Mr S has complained about the way British Gas Insurance Limited ('British Gas') have handled a claim he made on his home emergency insurance policy.

What happened

Mr S experienced a loss of electricity at all of the sockets at his home in the kitchen and ground floor. He called British Gas to request an engineer visit the property to investigate the issue. The engineer who was sent to his property said that he needed to contact his electricity supplier as the electricity reading was too high. Mr S did that but told us the electricity supplier confirmed everything was fine. British Gas' engineer returned to the property again the next day and advised the property's 3-phase meter needed to be changed to a 1-phase meter.

Mr S says he was being passed back and forth between British Gas' engineers and customer services, so decided to pay £245 for an engineer, privately, to provide a temporary connection to the kitchen appliances. He then contacted British Gas' engineer again about the issue and was told to get a breaker fixed to the main meter which would convert the 3-phase to 1-phase. Mr S said he had to borrow money from a friend to get that work done, after which time he again called British Gas' and requested another visit by the engineer. Having looked again at the wiring issues, the engineer said that the problem wasn't covered by his insurance policy, and Mr S was sent a quotation of £760.40 from British Gas for the additional work to be done. Again, he borrowed money from a friend and had the work done, but by a different company.

In addition to the £1,440 he's had to pay to rectify the issues, Mr S said British Gas' handling of the claim has caused a lot of discomfort to his family and stress and anxiety to him. Mr S provided copies of extracts from British Gas' booklet that he believes shows the work they refused to cover, should have been covered by the policy. He also added that although British Gas was aware of the discomfit his family was living with, they didn't offer any alternative accommodation which he believed was covered by the policy.

Mr S complained to British Gas and in November 2022, received their final response letter explaining that the works he'd claimed for, weren't covered by his policy as they were upgrade, not repair works. However, they offered him £150 compensation for the inconvenience he'd suffered. Mr S said that after so much pain, suffering, distress and financial loss that offer was nothing but an atrocious joke, and he brought his complaint to this service.

Our investigator looked into Mr S' complaint and issued a view not upholding the complaint on 20 January 2023. She explained that British Gas had acted in line with the policy terms and conditions, and fairly in the circumstances.

Mr S didn't accept our investigator's view and requested an ombudsman's decision on the complaint.

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 come to the same conclusion as our investigator, and for the same reasons. I will explain why.

When considering Mr S' complaint I've first looked at the policy terms and conditions to see whether the issues he's claimed for, ought to have been covered by the policy.

Page 14 of the policy terms explains that '*What's covered*' includes: '*all repairs to the mains electrical system and wiring on your property*'. However, in the '*General exclusions*' section on page 31, it says: '**Pre-existing faults** Your products don't include cover for any faults or design faults that.....existed when you first took out the product'. In addition, under the heading: '**Making any improvements**', it says '*Your product only includes repairing or replacing your boiler, appliance or system when it stops working properly – it doesn't include any improvements or upgrades, for example:.....replacing electrical cables and fuse boards that still work*'. It goes on to say: '*Where we've told you that an improvement is necessary, we may not continue to make repairs on that part of your boiler, appliance or system unless the work has been carried out*'.

British Gas explained to us that on 11 April 2022, their engineer visited the property in response to the call about an electrical breakdown. The engineer recorded on his job report that there was a 3-phase meter in situ and some wiring in the house needed upgrading.

On 12 April 2022, an engineer attended a further appointment and issued the same advice that the meter needed to be changed from the commercial meter that was in situ and the consumer unit needed to be changed as well.

Then, on 19 April 2022, a third appointment was attended and Mr S was given a quote for the updating work that was required as the wiring on the 16-amp supply needed upgrading.

Having considered the policy wording, and the information from the business regarding the issues Mr S had contacted them about, I'm persuaded that the issues he was experiencing with the electricity supply and wiring weren't covered by the policy. I think British Gas therefore acted fairly by not covering Mr S' costs of replacing and upgrading his electricity system. A home emergency policy doesn't cover everything that might go wrong with various services at a property, it only covers the failures detailed in the policy terms. In this case, as British Gas explained, the issues existed prior to the policy being taken out, and required upgrade, not repair works to be done. I'm therefore satisfied that the costs Mr S has claimed for wouldn't be covered by the policy.

British Gas did accept that the service provided fell below the level they aim to achieve and offered Mr S £150 to reflect the impact caused. Taking everything into account, I consider that this amount offered is sufficient to compensate Mr S for the inconvenience he suffered while his claim was ongoing.

Lastly, with regard to Mr S' claim for alternative accommodation, the only references to alternative accommodation being provided in the policy terms are found on page 10, in the section on boiler cover, and page 15 in the section on gas appliance cover. The terms say cover may be provided for: '*Costs of up to £500 for alternative accommodation and travel if your home is unfit to live in as a result of either 'your boiler catching fire or exploding', or 'your gas appliance catching fire or exploding*'. Given neither of these events occurred, as our investigator explained, British Gas wasn't required by the policy terms to offer Mr S

alternative accommodation.

Taking everything into account, I conclude that, in declining Mr S' claim, British Gas have acted in line with the policy terms and conditions, and fairly and reasonably in the circumstances. I therefore won't be requiring British Gas to do anything differently.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 13 April 2023.

Carolyn Harwood
Ombudsman