

## **The complaint**

Ms B is unhappy that British Gas Insurance Limited (British Gas) declined her claim under her Homecare agreement.

Any reference to British Gas includes all its agents.

## **What happened**

Ms B took out an annual Plumbing and Drains cover with British Gas.

On 25 January 2023, Ms B found a small leak in the valve connected to the manifolds of her underfloor heating system. She contacted British Gas and an appointment was booked for an engineer to investigate the leak.

The engineer arrived on 26 January 2023, he looked at the leak in the valve and after speaking to his manager, informed Ms B that the leak wasn't covered under her policy. Ms B had to pay £96 separately for the repair to be carried out by an independent engineer.

She made a complaint to British Gas. It responded and said she had no cover for the leak under her Plumbing and Drains policy. Generally, claims for the heating system would be covered under its Central Heating cover, but even if she had this cover, the leak in the valve connected to the manifolds of her underfloor heating system, would be excluded.

Ms B brought her complaint to this service. Our investigator looked into it and didn't uphold the complaint. He said the Plumbing and Drains cover doesn't provide cover for a leaking valve connected to the underfloor heating system. He didn't think the claim was declined unfairly by British Gas and didn't think any compensation was warranted under the circumstances.

Ms B disagreed with the investigator's findings and asked for the complaint to be referred to an ombudsman. So, it was passed to me.

In summary, Ms B said:

- An isolation valve isn't specifically designed for underfloor heating system as it also has a feed from the cold-water pipes so would be covered under the Plumbing and Drains policy.
- The 'What's Covered' section of the policy provides examples. But these are examples only, which means, other scenarios can apply. Therefore, repairs to isolation valves are included in the cover.
- There's no specific exclusion for any parts that are designed specifically for underfloor heating. Instead of conceding that the terms and conditions under the Plumbing and Drains cover are inaccurate and misleading, British Gas is relying on underfloor exclusions detailed within the Central Heating cover.

- She would not expect the ombudsman to find for British Gas without acknowledging the lack of clarity within the terms and conditions of the existing plumbing cover.
- She would also expect the Ombudsman to recommend to British Gas that their terms and conditions should be updated to prevent customers from taking out a policy that may not meet their needs.

I issued a provisional decision to both parties on 12 June 2023.

I said the following:

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

*The insurance industry regulator, the Financial Conduct Authority ('FCA'), has set out rules and guidance for insurers in the 'Insurance: Conduct of Business Sourcebook' ('ICOBS').*

*ICOBS says that insurers should act honestly, fairly and professionally in accordance with the best interests of their customers, and that they should handle claims promptly and fairly and shouldn't unreasonably reject a claim.*

*I've considered the terms and conditions of Ms B's Plumbing and Drains cover. Page 12 of the policy booklet sets out what's covered:*

*'What's covered*

*All repairs to the plumbing system on your property, for example:*

- *your hot and cold water pipes between your internal stopcock up to, and including your taps and garden taps and the flexible pipes to your kitchen appliances;*
- *the hot water cylinder and cold water tanks including immersion heaters, toilet siphons, isolation, ball and radiator valves; and*
- *your water supply pipe from the boundary of your property to your home*

*A replacement of parts that we can't repair. We will replace a pair of taps to a single item of sanitary ware where only one can't be repaired*

*Accidental damage'*

*And, in the 'What's not covered' part in the same section, there is no specific exclusion of cover to parts designed specifically for underfloor heating.*

*Ms B has taken out cover with British Gas for Plumbing and Drains and based on the policy terms and conditions above, there is no cover for the leaking valve for the underfloor heating. She says the underfloor heating has a feed for a cold water pipe and so the repair for the valve should be covered. Having looked at the terms and conditions of her cover, the cold water pipe has no reference to the underfloor heating system. I'm satisfied that it's clear from the above section of the policy that there is no cover provided for the cost of the repair to the valve.*

*From the information available, Ms B also took out Home Electrical cover at the same time as taking out the Plumbing and Drains cover. There's no evidence that she took out Central Heating cover. And having had a look at the Central Heating cover, even if she had taken*

*this out, there is an exclusion in the cover for underfloor heating.*

*So, whichever way we look at this, Ms B has no cover for the leak in the valve connected to the manifold of her underfloor heating. The Plumbing and Drains policy is only for the purpose of repairs to plumbing and drains and just because there is no specific mention or exclusion of underfloor heating within the terms and conditions of this cover, that doesn't mean that cover should apply. And while there is cover available with British Gas for central heating, there is a specific exclusion for underfloor heating on this. And, in any case, Ms B did not take out this cover so this wouldn't apply.*

*I don't consider the terms and conditions for the Plumbing and Drains to be inaccurate or misleading in the circumstances. While Ms B has her own interpretation of this cover and I understand that she would like the cost for the repair covered, she simply doesn't have the cover for what she's paid for. The event that led to the claim isn't covered under her policy.*

*It's not my role to recommend a business on how to write the terms and conditions of a policy or to recommend it updates them. And just because the event that led to the claim isn't covered under the terms and conditions of the policy, it doesn't mean that they are misleading.*

*Overall, I'm not persuaded that British Gas has declined Ms B's claim unfairly or unreasonably. I therefore don't think there are any reasonable grounds upon which I could fairly ask British Gas to settle the claim.*

*For the reasons given above, I don't intend on upholding Ms B's complaint.*

British Gas responded to my provisional decision and agreed with it.

Ms B responded but didn't accept it.

### **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'm not upholding this complaint. I'll explain why.

I've listened to the telephone call where Ms B provided further comments. I don't think there is anything new here to what's been said before.

I appreciate Ms B is disappointed but the policy she has for Plumbing and Drains doesn't provide cover for the repair of the manifold of her underfloor heating system. And I do understand that she didn't take out the Central Heating cover as underfloor heating was excluded under this policy. But insurance policies aren't designed to cover every eventuality.

Ms B says British Gas should update the terms and conditions of the policy to prevent customers taking out a policy that doesn't meet their needs. However, it's not my role to tell British Gas to do this and is a commercial decision which we cannot get involved in. I can only look at the individual merits of a case.

Overall, in the circumstances of this case and taking everything into account, I don't think British Gas has declined Ms B's claim unfairly or unreasonably. It follows that I don't require British Gas to do anything further.

**My final decision**

For the reasons given above, I don't uphold Ms B's complaint about British Gas Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 19 July 2023.

Nimisha Radia  
**Ombudsman**