

The complaint

Mr A and Ms S complain that British Gas Insurance Limited (British Gas) has unfairly refused to meet a claim for a damaged drain cover.

What happened

Mr A and Ms S have an insurance policy with British Gas that, amongst other things, covers repairs to their domestic drains. They asked British Gas to sort out a problem with the drains and it sent a contractor out. That was early in 2023. Shortly after this Mr A and Ms S realised that the drain grate adjacent to their bathroom was broken and they asked British Gas to sort that out too. The alternative was they pay about £230 for a new grate.

After some debate, British Gas said its policy doesn't cover drain grates, so it wouldn't replace the grate. Mr A and Ms S complained: British Gas acknowledged it had provided a poor service in that it hadn't explained why the grate wasn't covered under the policy and offered £30 to make up for this. Mr A and Ms S asked us to review the complaint.

Our investigator initially said he didn't think the damage was covered as there wasn't an "insurable event" – that is, none of the things covered under the drains part of the policy had occurred – for example the drains weren't blocked.

Subsequent to this Mr A and Ms S said they believed the cover had been damaged by the contractor when he was initially clearing a problem with the drain. Ms S says she was shown the cover before the contractor worked on the drains and it was fine then, and that it's plausible that the contractor broke the cover at the time. Our investigator thought that was a reasonable explanation of what had happened and asked British Gas to repair/replace the drain grate.

British Gas doesn't think this is fair – it says Mr A and Ms S only brought up the possibility of the cover being damaged by contractors after our investigator initially said the complaint shouldn't be upheld. Our investigator explained that Mr A and Ms S hadn't given much thought as to how the grate was damaged until our investigator discussed this with them late in the review process, but he thought their explanation of how it could have happened was plausible.

British Gas still objects to this, saying Mr A and Ms S would have been given worksheets from the contractor at the time, and there's no proof an accident occurred when the contractor worked on the previous repairs. Mr A and Ms S say they were never provided with these.

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.

Policy terms and conditions

Setting aside the confusion caused by British Gas saying that the damage was covered and then deciding it wasn't, I've carefully considered the basis for British Gas' conclusions that grates aren't covered. The policy provides cover for accidental damage to both plumbing and drains, and there's a helpful diagram of what's covered. That shows that pipework from sinks etc through drains are covered up to the property boundary. I've seen a photo of the relevant drain and it clearly lies at the junction of the plumbing system and the drainage system, immediately outside the property and within the property boundary.

The policy does however exclude certain items, and British Gas has relied upon one of these exclusions to say it need not meet the claim. The specific exclusion is that the policy doesn't cover manholes or their covers. I haven't seen the definition of manhole that British Gas used when it decided the grate was such a cover, but I believe the general definition of a manhole cover is that it is solid, and provides access to inspection chambers, generally for main drains leading to sewers, and that such chambers are generally some distance from the property rather than right next to it. Grates on the other hand are generally small and porous as they function to prevent debris (like leaves) from entering the drains.

I'm not persuaded by British Gas' argument that the grate in question is a manhole cover as is generally understood. So I currently think the policy is unclear on this point, in that it doesn't clearly exclude grates between internal pipes and external drains. British Gas is the expert here and responsible for the clarity of the policy terms and conditions. If it wanted to exclude grates like the one here then it could have made that clear in the terms and conditions. It didn't do that, and in these circumstances, where there's a reasonable expectation that such items are covered, it's fair to interpret them in favour of the customer. I note that Mr A and Ms S say that during the earlier repairs the contractor replaced another of their grates without questioning if it was covered by the policy. That also supports my thinking that the exclusion isn't clear enough.

Insurable event

To trigger cover, an "insurable event" must have occurred. Looking at the policy, the only relevant event would be accidental damage. I'm persuaded the grate is covered under this term. Mr A and Ms S say that the contractor looked at the grate with them when they attended to clear a blocked drain a relatively short time before their latest claim, and it was undamaged then. I have no reason to doubt this. Mr A and Ms S say the most likely explanation for the damage is that the contractor then damaged the grate, presumably accidentally. I think that's plausible. And I don't think we need *proof* that the grate was damaged by a contractor. It's unlikely that the damage was caused by wear and tear in only a few weeks, and on balance it's reasonable to conclude the damage was accidentally caused in some way.

I do understand that British Gas says there's no proof of this and that Mr A and Ms S should have been given reports of work carried out whenever a contractor visited. Mr A and Ms S say they never received anything, and I see no reason to disbelieve them, but it does mean there's no record of the work for either party to rely upon. I note that Mr A and Ms S say that during the earlier repairs the contractor replaced another of their grates without questioning if it was covered by the policy. I see no reason to doubt this.

Putting things right

Taking everything into account, I think it fair and reasonable for British Gas to meet the claim. If it wants to settle this as a cash payment, then it should pay Mr A and Ms S £230 as that's the amount they've been quoted to get the work done. I'd usually say that if Mr A and Ms S choose the cash option British Gas could discount payment to reflect what it would have paid. I don't think that's appropriate here given the time it's taken to sort this claim out.

In summary I think British Gas should settle the claim by either paying £230 or by getting the work done for Mr A and Ms S.

Mr A and Ms S have spent a considerable time trying to resolve this complaint, and I agree they should be compensated for this in the sum our investigator recommended - £200.

My final decision

My decision is that I uphold this complaint and require British Gas Insurance Limited to meet the claim as outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A and Ms S to accept or reject my decision before 6 December 2023.

Susan Peters
Ombudsman