

The complaint

Mrs B complains British Gas Insurance Limited has unfairly declined a claim under her home emergency policy.

Any reference to Mrs B includes the actions and comments of her representative. And any reference to British Gas includes the actions of its agents.

What happened

The circumstances of this complaint are well known to both parties, so I've summarised what's happened.

- Mrs B's home emergency policy provides plumbing and drains cover. The policy is underwritten by British Gas.
- In August 2022, she reported to British Gas that her property had a limited water supply.
- A British Gas engineer attended and spoke to the tenants occupying Mrs B's property. The tenants said previous works had been undertaken by another company who had confirmed the leak was outside the property's boundary.
- British Gas' engineer said it, therefore, couldn't carry out works as cover is only in respect of damage / repairs inside the property's boundary.
- Mrs B, nor her representative, were present at the initial site visit and said there'd been a misunderstanding concerning the boundary and location of the leak. So, a second visit was arranged.
- At that visit, British Gas' engineer noted the water supply pipe was under a shared driveway and back gardens of neighbouring properties. And that it was under grass and slabs on the customer's property. The engineer dug two excavations and traced the pipe to the boundary. The engineer's report says they *"squeezed off the pipe and the meter was still spinning proving that the leak is off the property."*
- Based on this information, British Gas declined the claim. Mrs B arranged to have the repair works carried out by her own contractor but complained to British Gas saying it should be responsible for covering the cost of the repairs as she considered the leak to be within the property's boundary.
- British Gas maintained its position but paid £40 compensation to recognise it should have provided a quicker response to Mrs B's complaint.
- Unhappy, Mrs B brought a complaint to this Service. An Investigator considered it but didn't uphold it. She was satisfied it was reasonable for British Gas to rely on its engineer's report to decline the claim.

- Because Mrs B disagreed, the complaint has been passed to me for an Ombudsman's decision.

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 agree with the outcome our Investigator reached. But before I explain why, I want to assure Mrs B and her representative that I've reviewed the information provided in response to our Investigator's view. But ultimately, I'm not persuaded this means British Gas should accept the claim, and I'll explain why.

The starting point is the policy document which says the policy covers repairs in the event of breakdown or damage to your plumbing and drains and the water supply pipe within the boundary of your property. Here, the leak was to do with the water supply pipe, but the issue in dispute is whether the leak was within the boundary of Mrs B's property. Mrs B says it was, British Gas says it wasn't.

The policy defines "property" as *"a home and all the land up to your boundary – including any detached outbuildings."* Mrs B says the terms and conditions don't state that if the repair is under a shared driveway, it won't be covered – and that importantly, the supply pipe isn't shared.

I've looked at the engineer's report from the second visit and note they carried out investigative works before concluding the leak was outside Mrs B's property's boundary. I understand Mrs B doesn't consider the engineer to have carried out sufficient investigations to establish this. But, given they dug excavation pits and provided an explanation demonstrating how they concluded that the pipe was outside Mrs B's boundary (by squeezing off the pipe), I'm satisfied it was reasonable for British Gas to rely on this when deciding the outcome of the claim.

Mrs B has said that when a leak occurred in 2017, her building insurance policy covered the repairs even though the leak was under the shared driveway and close to a neighbour's garage. I understand why Mrs B considers this to support her position – as it's been said that as the water supply pipe goes under the shared driveway British Gas can't attend to it. But simply put, the building insurance policy and the outcome of that claim has no bearing on this claim. Ultimately, these policies provide different cover and have their own terms and conditions and underwriters. So, it wouldn't be reasonable to say that because a previous claim was covered under a separate buildings insurance policy, that this current claim should be accepted by British Gas.

Ultimately, British Gas said the claim isn't covered because it's outside Mrs B's property boundary. Whilst there might be disagreement about where the boundary lies with respect to the shared driveway, I've seen evidence which persuades me that - regardless of this - the repair works would have been outside Mrs B's property's boundary. And I've reached this conclusion having looked at the estimate and scope of works provided by Mrs B's contractor (who completed the repairs). Notably, this includes the contractor needing to apply for a Section 50 licence - which is an application to install works on Highways England's road network. If the works were *within* Mrs B's property's boundary, I can't reasonably see why such an application would be required. I also note the contractor would be making applications to the utility companies affected by the repair works – which again indicates the leak and repairs were outside of Mrs B's property's boundary.

This, coupled with British Gas' engineer's report from the second visit, persuades me that

British Gas' decision to decline the claim was fair and reasonable. I appreciate this decision will be disappointing for Mrs B, but I hope, based on what I've said above she understands why I've reached this conclusion.

Compensation

British Gas has accepted it could have responded to Mrs B's complaint quicker - it's paid £40 compensation to recognise this, and I'm satisfied that's fair in the circumstances.

I note a letter from British Gas to Mrs B includes information – though not sensitive in nature – about another policyholder's claim. Understandably, Mrs B has said she would be alarmed if her details were shared with another policy holder in the same way. Whilst I appreciate her concern, from what I've seen this hasn't happened, and so, I wouldn't award compensation for something which hasn't been realised and for which there has been no impact.

Whilst I understand Mrs B's representative is aggrieved at having spent time corresponding with British Gas to try and get it to accept the claim, I don't consider it reasonable to direct it to pay further compensation when I'm satisfied it fairly declined the claim. In any event, this Service cannot make awards for compensation in respect of third parties and so, Mrs B's representative wouldn't be entitled to this even if I were persuaded British Gas' service had fallen short.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 20 October 2023.

Nicola Beakhust
Ombudsman