

## **complaint**

Mr K complains that British Gas Insurance Limited should pay his claim under its HomeCare 300 insurance policy.

## **background**

Mr K told British Gas he had a leak from a gas pipe inside his tenanted property. He complained when British Gas told him that he was not covered for pipes.

The adjudicator recommended that the complaint should be upheld. She concluded that – in its sales call and its policy terms – British Gas was not clear enough that it would not cover Mr K for gas pipes. She recommended that British Gas should pay Mr K £449.36 for the cost of repairs.

British Gas disagrees with the adjudicator's opinion. It says, in summary, that Mr K chose not to take its cover for his gas pipes.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

In its final response letter, British Gas told Mr K:

*"The contact centre agent made it clear ...what you were covered for and also offered you the option to include Home Electrics which would then include the internal gas supply."*

I do not find it likely that Mr K had expected that British Gas cover for gas pipes would be packaged with home electrics (but not with central heating or plumbing). And British Gas later told the adjudicator:

*"Our agent was clear that if [Mr K] added Home Electrical Cover, then his gas pipes would also be included...  
The Home Electrical Cover ...does not state that if taken out then the gas pipes would be covered...Our Terms and Conditions show that the internal gas supply pipe is included when HomeCare 400 is taken out..."*

As an explanation, I find this less than clear. From the sales call, I find that Mr K wanted cover for:

*"everything but electrics"*

After Mr K reiterated that he was not interested in cover for the electrics, the agent said:

*"it would include your electrics but you will get your gas pipes from the gas meter – it's only an additional £3 per month".*

I am not satisfied that British Gas did enough to make it clear to Mr K whether he would be covered for gas pipes anyway - or only if he paid the additional premium.

And I do not consider that the position was made much clearer in the policy documents. When following a diagram and its key to "*Internal Gas Supply*", there is a footnote:

*"This applies when you take out HomeCare 400..."*

And the section on boiler and central heating breakdown cover says:

*"If you have a central heating, plumbing and drains and home electrics product, we also include repairs to all gas-supply pipe work inside your Home, between your meter and any appliances (shown as red dots on the diagram...)"*

But there is no mention of gas pipes in the "*exclusions*" or in the "*Home Electrical Cover*" sections. I am therefore not persuaded that Mr K ought reasonably to have been aware that he needed to upgrade from HomeCare 300 to HomeCare 400 in order to get cover for gas pipes.

So I agree with the adjudicator's opinion.

I have seen Mr K's email to British Gas in late September 2013 enclosing a repair invoice dated the same day which he said he had paid. I do not consider it unreasonable. I will order British Gas to reimburse Mr K with interest at our usual rate.

### **my final decision**

For the reasons I have explained, my final decision is that I order British Gas Insurance Limited to pay Mr K:

1. £449.36;
2. simple interest on that amount at an annual rate of 8% from 20 September 2013 to the date it pays him. If it considers it has to deduct tax from the interest element of my award, it shall send Mr K a tax deduction certificate when it pays him. He can then use that certificate to try to reclaim the tax, if he is entitled to do so.

Christopher Gilbert  
**ombudsman**