

complaint

Mr A has complained about the handling of a claim under his plumbing and drainage insurance policy with British Gas Insurance Limited.

background

Mr A was advised in 2018 that some water pipes needed replacing. Mr A says the cost of that work should have been covered under his policy with British Gas, but it refused the claim. British Gas says the pipe concerned is made of steel and the policy excludes the replacement of steel pipes, except if they are the water supply pipe from the boundary of the property to the home. Mr A complained to us.

One of our adjudicators considered the matter, but didn't find in Mr A's favour. Mr A didn't agree so the case has been referred to me for a final decision.

my findings

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

Mr A did want to speak to an ombudsman before a decision was made on his case. One of my colleagues did speak to him but then unfortunately couldn't make the actual decision due to absence. I have the benefit of a recording of that call so I can confirm I have heard Mr A's comments on the case. I can also confirm my colleague had made no decision on the case before they became absent.

I won't be upholding the complaint, I'll explain why.

Mr A's policy contains a very clear exclusion for steel or iron pipes, they aren't covered apart from a few exceptions. Mr A considers that the pipes in question come within the exception covering 'Your water supply pipe from the boundary of your property to your home'. I have to say I don't agree.

Mr A seems to interpret this exception as meaning the pipes inside his home are covered, I don't think that is a reasonable interpretation of the policy wording. If an insurer wished to cover steel pipes within the home they wouldn't need to say from the boundary to your home, they would just need to say from your boundary. It seems clear enough that once such pipes enter your home they aren't covered. And a reasonable definition of that would be once such pipes pass the external wall of your property. Here the pipes in question are inside Mr A's flat, so I think they aren't covered.

Mr A has made the point that why would he buy such insurance when it appears not to cover anything. However he also says he didn't know his pipes were steel. Most pipes in claims I have seen are copper or plastic, so would be covered. If all Mr A's pipes are steel then I agree this might not be appropriate cover for him, but I can't blame British Gas for that, it would have been Mr A's responsibility to have some knowledge of the construction of his property. Equally the policy covers other things, so I don't agree it is not worth having.

I do note that British Gas has paid some compensation for the policy not being clear and that is up to them, but I'm not sure I share their view. Certainly as my colleague discussed in the

call with Mr A, British Gas' confusion over exactly why they weren't paying his claim is regrettable, but doesn't mean that the claim succeeds irrespective of the policy wording.

Finally I note Mr A's contention that he is responsible for the pipes and they are not 'communal', but I don't think that makes any difference. I agree he is responsible for these pipes, but as they are steel and inside his property they are excluded from cover.

my final decision

I make no award against British Gas Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 8 April 2019.

Christopher Tilson
ombudsman