

complaint

Miss B feels her home emergency policy was mis-sold because her shared water pipes aren't covered and a claim for a leak has been declined. She also believes British Gas Services Limited have set up a direct debit without her permission.

Miss B would like to be reimbursed for the cost of the repairs. She'd also like an apology.

background

Miss B took out an energy extra policy with British Gas in 2011. The payments were taken as part of her gas and electricity bill.

In 2015 this policy was no longer available, so a Homecare policy was set up in its place.

Late last year, Miss B contacted British Gas to let them know she had a leak under her floor. An engineer came out and discovered the leak was coming from pipes that were shared. He let Miss B know that these weren't covered under her policy, meaning a repair couldn't be carried out.

Miss B made a complaint as she thought her shared water pipes were covered. She was also unhappy that British Gas had been taking payment by direct debit when she hadn't authorised it.

The investigator reviewed all of the information and came to the opinion that the exclusion of shared pipes and plumbing is common in this type of cover. He explained that the exclusion was clearly set out in Miss B's policy documents and that British Gas had explained these were sent to Miss B each year.

In relation to the direct debit, the investigator noted that when Miss B took out her new cover in 2015, a phone call took place. After this call, documents were sent to Miss B setting out the cover she had, what the new monthly payment would be and how the payment would be taken. He concluded that Miss B would've questioned the direct debit having been paying it for a number of years.

Miss B explained that she did contact British Gas to query why a direct debit was being taken, and then agreed to keep paying it because she thought shared pipes were covered.

The investigator remained of the same opinion and because Miss B didn't agree – the case was passed to me for review.

my findings

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

Having looked through everything – I agree with the investigator for the same reasons. I'll explain why.

Under the plumbing section on page 12, Miss B's homecare policy states that a shared water supply pipe isn't covered.

The terms and conditions of the policy were also sent at each renewal. As they specify that shared water supply pipes are not covered, I can't say that Miss B was never made aware of this.

I can see that renewal documents were sent to Miss B each year. The address on these letters is the same one that we've been given, so I believe Miss B would've received them. These letters outline the cost of the policy cover, when the payments would be taken, and that they would be taken by direct debit.

Thinking about the direct debit - even though Miss B queried this, she agreed to keep making the payments. I can also see from the call note made when the new policy was set up – that payment by direct debit was confirmed. The letter sent to Miss B following this call also confirmed the direct debit details. So I can't say that British Gas has done anything wrong in taking payment in this way.

Overall, I believe it's been made clear to Miss B what is and isn't covered under her policy and how payment would be taken. So I won't be asking British Gas to pay for the cost of the repair, or make any apology.

my final decision

My final decision is that I don't uphold Miss B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 7 August 2017.

Danielle Padden
ombudsman