

complaint

Mr R complains that British Gas Insurance Limited (BG) is not agreeing to undertake a repair under his home emergency insurance policy. He believes that the policy covers the repair.

background

Mr R contacted BG about a faulty switch for his shower. He was initially told on the telephone that this would be covered under the terms of his BG home emergency insurance policy. When an engineer attended, he identified that the problem was with the cable and fuse which he believed were undersized for the shower. He was then quoted £800 for the necessary work to rectify this.

Mr R argues that BG should carry out the necessary work for free. He relies on wording in the summary of the cover provided by his policy which says, under the heading "Home Electrical Cover":

"We'll repair your electrical wiring in your home and outbuildings, including your fuse box, light fittings and switches, sockets, doorbells and mains powered smoke alarms."

BG argues that the necessary work isn't covered by his policy. It refers to an exclusion under the same heading:

"We don't cover any design faults or damage caused by anyone else you've used for repairs".

It says that because Mr R's shower circuit was wired incorrectly, this was a fault in the design of the system, which is specifically excluded. It says that any rectification of this would be an improvement or an upgrade to his system, which is also excluded by the terms of his policy. This couldn't be identified until an engineer had done an inspection.

Mr R complained to BG. BG considered his complaint. It contacted the engineer who had inspected Mr R's shower for clarification of the issue. It then sent Mr R an email to explain why his complaint wasn't being upheld. Mr R says he didn't receive this email, and repeated his complaint. BG responded to apologise that he hadn't received its initial email. It offered him £50 to compensate for this and for any lack of clarity in its original email as to why his complaint was being rejected. It's paid Mr R the £50 it offered him. It's also offered to send another engineer to inspect Mr R's shower switch to provide a second opinion as to the reason for the fault. Mr R hasn't accepted that offer.

Mr R has also referred to the Unfair Terms in Consumer Contract Regulations 1999. He says that the policy terms are ambiguous and that any ambiguity should be resolved in his favour.

Our adjudicator didn't consider that BG had done anything wrong and that Mr R's policy terms did exclude a claim in these circumstances.

Mr R doesn't agree with the adjudicator's assessment and has asked that his complaint be referred to an ombudsman.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I'm not going to uphold Mr R's complaint, and I'll explain why.

I've looked at the terms of Mr R's policy. Like all insurance policies, it says what's covered, and also says what's excluded from cover. It does this in clear terms in the policy summary. So whilst it says that all electrical wiring including switches will be repaired, this is subject to a number of exclusions, one of these being design faults. The exclusions can't be ignored because they contradict any of the statements about what is covered.

I've no reason to doubt the assessment of BG's engineer that it was the design of Mr R's shower circuit that was responsible for his problem. I've seen no evidence to the contrary. BG has offered to send another engineer out to do a second inspection and to give a second opinion but Mr R hasn't accepted that offer.

Mr R has referred to the Unfair Terms in Consumer Contract Regulations 1999 in support of his argument that the policy terms are ambiguous, and any ambiguity should be resolved in his favour. I don't think there's any ambiguity in the policy wording. In any event, the Unfair Terms in Consumer Contract Regulations 1999 doesn't apply to Mr R's policy as it has now been replaced by the Consumer Rights Act 2015.

Mr R also complains that he didn't receive BG's first email notifying him that it wasn't upholding his complaint. I've looked at BG's records and can see that this email was sent on 18 August. BG has already paid Mr R £50 as compensation for his not receiving this and for any initial lack of clarity as to its reasons for not upholding his complaint.

As I believe that the exclusion for repairs necessitated by a design fault is clear, I don't think that BG has acted unfairly or unreasonably in rejecting Mr R's complaint, and I'm not going to ask it to do anything.

my final decision

For the reasons I've given above, I'm not upholding Mr R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 13 January 2017.

Nigel Bremner
ombudsman