

complaint

Mr S complains that his home emergency insurance policy from British Gas Insurance Limited (BG) didn't cover something that he was told it would cover, and so was mis-sold to him.

background

Mr S took out a home emergency insurance policy with BG in December 2014. He renewed this in December 2015. He says that when he took out the policy he was told that it would cover his Saniflow (macerator).

In August 2016 Mr S contacted BG as his Saniflow was on permanently and he couldn't use his shower or toilet. The agent that Mr S spoke to didn't tell him that Saniflow's weren't covered by his policy, and an appointment was made for an engineer to visit. When BG's engineer attended, he told Mr S that the Saniflow wasn't covered by his policy.

BG says that when Mr S set up his policy in December 2014, this was done on-line and that it has no record of any telephone calls prior to the policy being set up. It's listened to the telephone call when Mr S renewed his cover in December 2015 and to the call that he made in August 2016 to report his faulty Saniflow. It says that neither of these calls include any conversation about Saniflow's being covered, and the policy terms and conditions expressly exclude them. BG says Mr S wasn't charged the £50 policy excess for the engineer's visit as no repair was done.

Mr S wasn't satisfied with BG's response, so he referred his complaint to this service.

Our adjudicator considered that BG was correct in saying that Saniflow's aren't covered by Mr S's policy, but that its agent should've told Mr S this when he called to report the fault, rather than arranging for an engineer to visit. Mr S therefore had an expectation that his Saniflow was covered and would be repaired. He suggested that BG pay Mr S £75 for the inconvenience this caused him. BG has agreed that this is a fair outcome, but Mr S doesn't agree. He says that he didn't know what a macerator is and the policy should refer to "Saniflow" as that is a more recognisable trade name. He has asked that the matter 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 only going to uphold Mr S's complaint in part and I'll explain why.

I've seen evidence from BG in the form of a screenshot that shows that when Mr S initially set up his policy in December 2014 he did so on-line. BG says it has no records of any calls made before the policy was set up as at that time no account existed against which any call could be noted or recorded. I've also seen a copy of the Terms and Conditions for Mr S's policy as issued to him when he took out his policy. Section 8.9 of this expressly states that the policy excludes "*macerators such as Saniflow*". So I think it's clear from the terms of the policy that it excludes Saniflows.

I've listened to the recording of the conversation between Mr S and BG when he renewed his policy in December 2015. There is no reference in this conversation to Saniflows being covered. The conversation mainly covers discussion of the renewal premium.

I've also listened to the conversation between Mr S and BG when he reported the fault with his Saniflow in August 2016. BG's agent doesn't at any point say that Saniflows aren't covered, and time is spent trying to find a mutually convenient day for an engineer to call. When the engineer did call, he told Mr S that his Saniflow wasn't covered.

So I've not heard or seen any evidence of any conversation between Mr S and BG in which he's told by BG that his Saniflow would be covered by his policy, and I've seen evidence in the policy Terms and Conditions that "*macerators such as Saniflow*" aren't covered. In these circumstances, I don't think it would be fair for me to require BG to cover the cost of this repair because Mr S was unaware of the exclusions stated in his policy.

But I do think that BG could've handled Mr S's claim better. If he'd been told by BG's agent that Saniflows weren't covered, Mr S could've made alternative arrangements for a repair or a replacement more quickly. This would've reduced the inconvenience that he suffered in waiting some days for BG's engineer to turn up only to be told that his Saniflow couldn't be repaired under his policy.

I think the fair and reasonable outcome would be for BG to pay Mr S £75 compensation for this inconvenience.

my final decision

For the reasons given above, I'm upholding Mr S's complaint in part. I require British Gas Insurance Limited to pay Mr S compensation in the sum of £75.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 9 February 2017.

Nigel Bremner
ombudsman