

The complaint

Mr R complains that Domestic & General Insurance PLC (D&G) unfairly declined his claim for a broken television under his Sony protection policy. He would like D&G to repair or replace his broken television.

Mr R is represented in his claim. But I'll only refer to him in my decision.

What happened

Mr R took out a Sony protection policy with D&G in August 2021. The plan covers mechanical and electrical breakdown, labour charges and accidental damage.

On 14 September 2021 Mr R said his son accidentally ran into the television and knocked it over, causing the screen to crack. So he reported the damage to D&G on 15 September 2021. On 20 September 2021 Mr R sent D&G the claim form and the proof of purchase receipt for the television. This showed that it had been purchased in August 2019.

During the initial notification call, D&G said the claim would be covered. But later they declined the claim because they'd been given an incorrect purchase date (19 September 2020) when the policy had been set up.

D&G also said that although Mr R had now told them that the television had a five-year warranty, this was never disclosed during the sale. They felt that the policy terms and conditions made it clear that all information provided must be clear, factual and not misleading. They said that this was important because they don't provide cover for items outside the manufacturer's warranty. And therefore wouldn't have covered the television from the start if they'd known how old it was at the policy's point of sale.

D&G said that as the television was actually purchased in 2019, the manufacturer's warranty would've expired by August 2021 when the policy started. They declined the claim, cancelled the policy and refunded the insured's premium.

Unhappy with D&G's decision, Mr R complained. He called D&G back the same day to let them know that his television had a five-year warranty. D&G said they'd now been told about this during the policy sale call.

D&G discussed the claim and their decision to decline it with Mr R on 22 September 2021. And issued their final response to the complaint confirming the declination on the same date.

Mr R was unhappy with their decision. So brought his complaint to this service.

D&G cancelled the policy on 25 September 2021.

Our investigator felt that the complaint should be upheld. She felt that she'd evidenced that Mr R did have a warranty – which was a requirement for the policy – at the point the policy was sold. So she felt that D&G should've accepted the claim. To put things right, she recommend that D&G settle the claim in line with the remaining terms and conditions of the policy. She said that as the premiums for the policy had been refunded, Mr R should pay

back the refund.

D&G didn't agree with our investigator. They felt that the fact that a claim had been made a month after the policy had been purchased indicated a false claim.

Our investigator told D&G that as they hadn't dealt with the declination as a false claim, or mentioned this to Mr R, this service couldn't consider that allegation in relation to this complaint.

D&G asked for the complaint to be reviewed by an ombudsman. So it has been passed to me for a final decision.

What I've decided – and why

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

Having done so, I'm going to uphold it. I agree with our investigator's recommendations. I'll explain why.

I'll first consider the rationale D&G gave for declining the claim. Then I'll consider whether they acted reasonably.

What was D&G's rationale for declining the claim?

D&G's position is that they fairly declined the claim due to the broken television not being covered by the manufacturer's warranty at the point that the cover under the policy started.

They said that Mr R gave the purchase date for the television as 19 September 2020, not the correct date of 17 August 2019. They said that as a business they'd stopped offering cover for televisions outside of the manufacturer's period, with one exception. They said that the exception was if the television has been purchased from certain providers: "*where we can check the details given by the customer*". And that this was due to a high number of fraudulent claims. They said that they agreed to provide cover for Mr R as they were led to believe that his television was still in its manufacturer's warranty period. They said that if Mr R had given them the correct purchase date at the point the policy was sold they would've declined cover as they don't offer policies for televisions outside of the manufacturer's warranty period.

D&G said that Mr R had been "*less than truthful*" when giving them details in relation to the policy and the claim. They said that as well as giving the wrong purchase date, he'd also told them that they'd previously replaced his equipment, which they hadn't. They said that he'd never disclosed the five-year guarantee he said he had. And that they'd looked at the website of the store the television had been purchased from. And it had confirmed that only a one-year manufacturer's warranty was provided with Mr R's television.

D&G also said that the terms and conditions of the policy were clear that a customer must provide correct information. But that incorrect information had been provided by Mr R. They felt he should've provided the correct purchase date. D&G felt that they'd correctly rejected the claim and cancelled the policy.

I'll now consider whether D&G acted reasonably when they declined the claim for the reasons they gave.

Did D&G act reasonably when they declined the claim?

I've carefully considered whether D&G's decision to decline the claim was fair and reasonable. In order to fairly assess the complaint, I've listened to all the call recordings provided. And reviewed all the documentation provided by both parties.

I note that our investigator has independently verified that the television was purchased in August 2019 and that it had a five-year warranty provided by the manufacturer. This warranty had started at the time of purchase and would run until August 2024.

My starting point was the policy terms and conditions. I acknowledge that these do state, as D&G have noted:

All information you give must be true, factual and not misleading.

The policy terms and conditions also explain what the policy covers. This says:

Accidental damage (during and after the manufacturer's guarantee) Both during and after the end of the manufacturer's parts and labour guarantee period, if your product suffers accidental damage (so that the product is no longer in good working order), we will (at our option) authorise a repair, arrange a replacement or pay the cost of a replacement product.

So I'm satisfied that the terms and conditions do require a customer to provide correct information. And I can also see that accidental damage cover can be provided after a manufacturer's warranty has expired. I appreciate that this doesn't necessarily mean that D&G would willingly take on a new policy where the manufacturer's warranty has expired.

In the August 2021 point of sale call, the agent explained what the policy covered. And asked when the television was purchased. Mr R said it was bought on 19 September of "last year". At the time of the call this would've been 19 September 2020.

I can confirm that during the August 2021 call Mr R did effectively tell D&G that the television was purchased in 2020. But he didn't tell D&G that he had a five-year warranty. And at no stage during the call did D&G ask Mr R how long the warranty on his television was. They simply assumed that it was a one-year warranty that was about to expire. From what I heard, I don't consider that Mr R was trying to gain any sort of advantage, or purposefully mislead D&G about when his television was purchased. I'm satisfied that he just made a mistake.

During the call on 22 September 2021, Mr R was told that his claim had been declined as the incorrect purchase date had been provided at the start of the policy. And because D&G don't cover products with expired manufacturer's warranties. But Mr R told D&G on the same day that his television had a five-year warranty. D&G said they hadn't been told this when the policy was sold. From what I've seen, they first heard about the five-year warranty on 22 September 2021. I've not seen that D&G asked for evidence of the five-year warranty before issuing their final response letter, even though Mr R had referenced it in a call to them. I'm surprised they didn't ask for this evidence, given their reason for declining the claim was that the television hadn't been under manufacturer's guarantee at the time the policy was started.

I acknowledge that D&G feel that Mr R should've told them about the five-year guarantee when he set up the policy. But I don't agree that he would've realised this was important. And they didn't ask him about it. I consider that if they needed confirmation of a manufacturer's warranty before providing cover, they should've asked for it during the point of sale call.

In any event, at the point of sale, Mr R's television was still under warranty. So even though Mr R gave D&G the wrong purchase date for the television, I'm not persuaded that this was

what led to cover being provided. I consider that cover would've been provided anyway if D&G had been told about the correct date of purchase and the five-year guarantee. I say this because D&G said that the only exception for covering televisions outside the manufacturer's included guarantee period was "*where we can check the details given by the customer*". I'm satisfied that we were able to check the details given by the customer. And therefore I'm satisfied that cover would've been provided even if all of the correct details had been given at the point of sale.

I'll now consider D&G's position after they received evidence of the five-year warranty.

D&G's current position

In early February 2022, D&G requested, and this service provided, proof of the five-year warranty. At this point they noted that the warranty didn't include accidental damage. They felt that Mr R would've known that he already had cover with another provider. So they questioned why Mr R had taken out the policy with them and then made a claim for accidental damage just 20 days later.

Our investigator noted that D&G had said they only provide cover to televisions which have a warranty. And said that most warranties don't provide the same cover an insurance policy does, such as accidental damage. So she didn't agree that it was unusual that Mr R had taken out his D&G policy alongside his five-year warranty.

D&G felt that it was possible that the policy had been taken out because the television was already damaged. They felt that if Mr R had believed he could benefit from having accidental damage cover, he would've taken the D&G policy out at the same time as he bought the television.

Our investigator didn't agree that there was enough evidence to consider that the television had been damaged before the policy was taken out. And she was still satisfied that she'd reached a fair conclusion on the complaint, because D&G had declined the claim due to the lack of warranty, which she'd shown wasn't the case. She said that if D&G felt that Mr R had made a false claim, they'd have to let Mr R know and give him the chance to respond. She said that it wasn't the role of this service to look at an allegation of a false claim which hasn't been investigated and the consumer doesn't know about.

I can confirm that I agree with our investigator here. I have looked at the details presented for this complaint, including the reasons D&G gave Mr R for the declination on 22 September 2021. I'm not in a position to consider any new reasons D&G consider they may have to decline the claim.

In summary, based on everything I've seen, I'm satisfied that D&G acted unfairly when they declined Mr R's claim on the basis that he didn't have a warranty at the time he bought the policy.

Putting things right

I require Domestic & General Insurance PLC to settle the claim in line with the remaining terms and conditions.

Mr R must pay back to Domestic & General Insurance PLC the premium of £6.57 which was refunded to him.

My final decision

I uphold this complaint for the reasons above. Domestic & General Insurance PLC must carry out the action detailed in the “Putting things right” section above.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr R to accept or reject my decision before 31 March 2022.

Jo Occleshaw
Ombudsman