

The complaint

Ms B has complained about the way Domestic & General Insurance Plc (D&G) has treated her as a customer. Ms B says D&G mis-sold her a policy and declined her claim. She says the service D&G has provided has been very poor throughout.

What happened

Ms B took out a protection policy for her cooker in February 2022. A month later Ms B says she discovered an issue with her cooker. She said she tried to ignite two of the hobs, and they wouldn't work, plus it was throwing out an escape of gas. So, she attempted to call D&G.

Ms B says she couldn't contact D&G. So, she contacted an independent engineer who she'd used before to fix an electrical issue with her cooker.

Ms B then submitted a claim to D&G. But whilst D&G were validating the claim, it discovered that the cooker insured on the policy wasn't the cooker Ms B had in her home. So, D&G declined the claim.

Ms B complained and said she'd been mis-sold the policy. She said D&G rang her and sold her the policy. She insisted that she's been above board and had given the correct information about the cooker. Ms B was unhappy that D&G had declined her claim and hadn't accepted the engineer's report she had submitted. She said D&G were unprofessional and rude and she wanted D&G to provide a replacement cooker.

D&G reviewed the complaint and partially upheld it. D&G say the policy should never have been sold to Ms B. It acknowledged that the service provided was poor and it apologised. D&G said Ms B's engineer's report had been acknowledged but the cooker was so old it would never have been covered. It offered Ms B £100 for the inconvenience caused.

Ms B remained unhappy, so she brought her complaint to this service. An investigator reviewed the complaint and said the policy was mis-sold. The investigator suggested that D&G replace the cooker.

D&G acknowledged the mis-sale but it wasn't happy to replace the cooker. D&G requested an opportunity to repair the cooker instead. It said, if on inspection a repair was achievable, it would cover the cost. Our investigator reviewed this again and said that she was unable to verify the engineer's report submitted by Ms B. As such, she thought the fairest outcome was to let D&G inspect the cooker.

Both parties agreed and the cooker was inspected. An engineer provided a report that said that the gas safety checks were all passed, but that the oven was faulty and unrepairable. The engineer didn't mention the issue with the hob.

At this point D&G sent Ms B internet links for her to choose a new cooker. However, this was an error, and D&G soon confirmed to us that it wouldn't be replacing the cooker based on

the most recent engineer's report. D&G offered Ms B a further £50 to compensate for the error and loss of expectation.

But Ms B remained unhappy and asked for us to review the complaint again. Our investigator reviewed the complaint and said what D&G was doing was unfair. The investigator suggested that D&G should now replace the cooker and pay a further £150 for the distress and inconvenience caused.

D&G disagreed, and this complaint has now been passed to me for a decision. I issued a provisional decision on this complaint on 6 September 2022. That provisional decision is below and forms part of my final decision.

What I've provisionally 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 planning on partially upholding it. I'll explain why.

I appreciate a lot has happened since the final response issued by D&G. I've written to D&G and I've advised that in the interest of coming to a fair and reasonable resolution, I will be dealing with everything that has happened to date in this provisional decision.

I've listened to the sales call and I agree D&G mis-sold this policy. Ms B didn't know how old the cooker was and she told D&G this. There was even confusion over what make and model it was. But D&G put it on cover anyway.

Ms B had started paying premiums and thought cover was in place when she claimed. However, I'm conscious that Ms B had only paid at most, two instalments when she attempted to claim. I'm also conscious that D&G acknowledged its error in mis-selling the policy and offered £100 for the inconvenience caused.

Our approach in a mis-sale situation like this one would be to refund whatever premium had been paid, plus 8% from date of sale, and compensate for the impact of the mis-sale, including any distress or inconvenience. I'm satisfied given the circumstances, whereby there was no cover in place when D&G first sold the policy, and Ms B said she had no intention of buying cover for her cooker until she was sold this policy, that this is the right approach here. I'm satisfied that £100 for the inconvenience caused probably covers the returned premium, interest and compensation.

However, since we issued our first view on this complaint a number of errors have occurred. Following a view from one of our investigators D&G offered to inspect the cooker and it suggested it would repair the cooker as a gesture of goodwill. However, the engineer who inspected the cooker didn't actually comment on the part of the cooker that had failed. I appreciate this was frustrating for Ms B, but given the photographs provided I can see the oven cavity box is in a poor state of repair. So, I can see why the engineer wrote the cooker off based on this evidence and he didn't need to comment on the hob. I know Ms B says her oven was fine. But I think looking at the report alongside the photographs I'm inclined to give more weight to what the engineer has said. Ms B may still have been using her oven. She says she just hadn't cleaned it, and it had corroded and depreciated with time. But the engineer said it wasn't safe to use, and he is the expert. So, I don't think D&G did anything wrong here by taking on board his findings.

However, D&G did then make an error. Ms B was asked to choose a suitable replacement cooker. I appreciate D&G realised its mistake, it addressed the error, and it paid Ms B £50

for any distress caused. But it did this only after this service intervened. And in the context of what had gone on before, I think this error was a significant one. Ms B thought she was getting her claim paid, and this caused Ms B a lot of distress when she realised she wasn't getting a new cooker.

This leads me onto the service provided by D&G throughout the claim. I'm conscious that neither party helped matters during the duration of this complaint. Both parties dug their heels in and this caused tension, and there are a lot of very tense call recordings between both Ms B and D&G. I've listened to a sample of these calls. I agree the sales call was poor. The agent in question was very loose with the details, and I don't think Ms B did anything wrong during this call.

Ms B says she was pestered by calls from D&G. But D&G says this is not true. D&G has provided evidence to show the calls made to Ms B. And looking at this I wouldn't agree they were excessive. I can tell by the sales call in particular Ms B wants the policies spoken about. So, I'm not inclined to agree she was bullied or pestered.

But I do agree some of the calls about the claim were tense. In one call I listened to, Ms B had two calls going at once to separate departments in D&G, as she says she was afraid to hang up as it took so long to talk to anyone who would help her. For me D&G lost control of the situation, and instead of allocating someone to deal with her issue, I felt D&G were happy to push the issue around. This is not good customer service.

However, Ms B also has to take some responsibility here too. She continually called D&G without giving it time to address her issues. Further to this there was difficulty verifying the report submitted by Ms B, and Ms B has never really addressed this.

So, I agree D&G's sales process wasn't followed and it did mis-sell the policy. D&G did allude to paying the claim, and then led Ms B to believe she was getting a new cooker. I know Ms B will be very disappointed by this, but I think D&G dealt with the mis-sale correctly. So, I'm not going to recommend that D&G repairs or replaces the cooker. Further to this, the photographs and engineers report would suggest that even if I did think D&G should reconsider the claim, this claim would not be covered under the policy terms and conditions. Even though Ms B disagrees, the photos and engineers report carry a greater weight, so I won't be asking D&G to do anything further in this respect.

But I do think D&G made a number of errors and it does need to pay some further compensation for the distress this caused. So, taking a holistic approach to everything that has happened I'm thinking of recommending that D&G pays Ms B a further £200 in compensation, on top of any other monies it has already paid (£150, so in total £350).

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.

I sent my provisional decision on 19 May 2022 as set out above.

D&G responded and had nothing further to add.

Ms B responded with a number of calls and emails, and she's expressed her dissatisfaction with the provisional decision.

Firstly, I would like to acknowledge Ms B's responses. I can see that Ms B is clearly very upset by what has happened. But a number of the points she raises are points that she has already raised and as such I won't be dealing with them again. I agree that the policy was mis-sold to Ms B and I agree that D&G told her she would be getting a new cooker. But that doesn't mean I'm now going to insist that D&G replaces Ms B's cooker. We have a set approach to mis-sale and the £100 compensation paid by D&G to Ms B for this error is fair.

Since my provisional decision Ms B has spoken to another independent gas appliance installer. It told Ms B that the parts she requires are obsolete, and Ms B says that D&G should've told her this from the beginning. I appreciate Ms B's frustration with this. But as we've deemed the policy as mis-sold, this information wouldn't have made any difference and doesn't impact the mis-sale in any way.

Ms B has also asked us to listen to a further call she had with D&G in July 2022. Ms B says that in this call she was told she was getting a new cooker and D&G tried to reinstate the policies she's cancelled.

We don't have a copy of this call. It's a call that was made after the final response was issued. But I don't disbelieve Ms B. It's clear D&G made an error and had recorded on its system that Ms B was to get a replacement cooker. So, I'm not surprised she was told she was getting a new cooker. But I've already dealt with this. I've recommended D&G pay Ms B a higher amount of compensation to reflect this specific error and the loss of expectation caused by telling Ms B she was going to get a new cooker. And on reflection and taking into account this additional information I still think a further £200 is a fair amount of compensation for this error.

I know Ms B is going to be disappointed with this outcome. She wants the new cooker she was told she was getting. But even though D&G said she was getting a new cooker; this was an error and the additional compensation I recommended in my provisional decision is a fair reflection of D&G's failings in this regard. D&G has dealt with the mis-sale appropriately and acknowledged its errors. As such I see no reason to depart from my findings as set out in my provisional decision.

Please note, Ms B says she hasn't cashed the cheque she received for £50. If this cheque needs to be reissued, D&G need to now do so.

My final decision

For the reasons given above, I'm upholding this complaint in part against Domestic & General Insurance Plc as set out above. I require Domestic & General Insurance Plc to:

- Pay Ms B a further £200 (£350 in total) for the inconvenience caused by the errors it made.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 20 October 2022.

Derek Dunne
Ombudsman