

## The complaint

Mr J has complained that Domestic & General Insurance Plc ('D&G') declined cover under his home appliance insurance policy.

## What happened

Mr J registered his kitchen appliances to include a cooker hood with D&G in October 2021. He understood that they would be covered by his appliance insurance policy. He explained that the cooker hood wasn't working. The D&G representative therefore provided a contact number for the make of appliance referenced by Mr J.

Mr J contacted D&G again in January 2022 as the cooker hood still wasn't working. He firstly complained how difficult it had been to contact D&G. Mr J gave the cooker hood make which was not the same as the make he'd originally mentioned. The agent said that it didn't have a repairer for that make but explained that Mr J could make a 'pay and claim', where the policyholder arranges the work and then claims reimbursement. Mr J duly arranged an engineer to fix the cooker hood, however the engineer advised a replacement. D&G declined cover for the call-out and replacement cooker hood. Mr J complained to D&G however it maintained its decision and Mr J therefore referred his complaint to our service.

The service's investigator didn't uphold Mr J's complaint. She considered that Mr J had responsibility for providing correct details when taking out his policy, however she thought he'd provided incorrect details of the cooker hood. The investigator considered that as the insurer didn't cover the make of cooker hood and had offered a refund of premiums, that this was a fair and reasonable outcome and didn't require D&G to do anything else.

Mr J remained unhappy with the outcome of his complaint, so the matter was referred to me to make a final decision in my role as Ombudsman. In December 2022, I issued a provisional decision for this complaint and explained why I was minded to partly uphold Mr J's complaint as follows: -

*'The issue for me to determine here is whether D&G acted in a fair and reasonable manner in dealing with Mr J's claim about his cooker hood. I don't think that it has in all respects and I'm minded to partly uphold Mr J's complaint. I'll explain why.'*

*Firstly, I've considered Mr J's submissions. He said that he'd taken out a policy with D&G in October 2021 to include a cooker hood, cooker hob and double oven. This arrangement was set up in a telephone call with D&G. Mr J wished to reiterate that it was a D&G sales representative who first contacted him to sell a policy. He said 'I was not ready nor did I have the exact details of the Cooker Hood or other appliances (Manufacture details) to hand when I was called neither was I looking to get insurance coverage for an appliance that came with the show house'.*

*Mr J said that 'the sales representative was given all required details of the product...' He said that this was a show home with appliances already installed and so was not fully aware of the details. He said that he was assured that D&G would cover all appliances and 'if anything were to go wrong they would either try to fix or replace it like for like.' Mr J said he*

*made it clear that he wasn't sure of the brand name. Since the double oven had a make sticker on it, he'd assumed the hood would be the same. Mr J said that he informed D&G's agent that the warranty on the product had expired as the show home had been built over a year prior to this. In summary, he thought he'd been sold a policy that covered all makes. He said 'I would like to reiterate that I have not provided incorrect details'. He said that he'd provided all details to the best of his knowledge and as more than one policy was taken out, he didn't check the policy details.*

*Mr J said when his engineer inspected the cooker hood in accordance with D&G's direction, 'it was identified that it was a motor issue and it's best to replace it.' Mr J then paid the £50 call out charge and ended up buying a new cooker hood and paid for fitting it. Initially, he said that once he sent details of the fault to D&G, it said he could choose the closest appliance so that he could order a replacement on-line and that the details were all confirmed and agreed. Mr J said that was then told that D&G couldn't replace the cooker hood as the product wasn't one it supported.*

*Turning to D&G's response, it said that as the cooker hood details were incorrect when the plan was set up, it couldn't uphold the complaint. It had to take the information provided by Mr J as correct when setting up the plan. Had the agent been told the correct make 'then its likely Mr J would have been informed correctly this wouldn't be covered.' In the same call, Mr J had said that the cooker hood wasn't working correctly, and the agent offered a telephone number for the make mentioned by Mr J so that he could seek assistance under the manufacturer's warranty. D&G said it was unable to supply a repairer for this manufacturer but accepted that it had offered the customer the option of a 'pay and claim' on the understanding that the appliance was of the make Mr J had specified. It also accepted that it had confirmed to Mr J that it registered on behalf of various companies and then listed well-known makes. D&G concluded that the plan should be cancelled and refunded as it didn't cover the relevant make. It's since provided evidence of its sales website showing that it doesn't offer cover on the make.*

*D&G said that in all the circumstances, it had been happy to refund premiums paid on the appliances but didn't consider it was 'responsible for the confusion over the make and age of them, as this was advised to us by the customer.' I've noted from its case notes that D&G recognised that someone should have picked up that it didn't cover this brand. It also recognised that Mr J had been chasing the matter and so it should have cancelled earlier.*

*As the make of the cooker hood registered by D&G was not its actual make, I must consider certain legislative provisions. These provisions are in the Consumer Insurance (Disclosure and Representations) Act 2012 ('CIDRA') and the service has a settled approach to complaints when it applies. The Act says that it's the duty of the consumer to take reasonable care not to make a misrepresentation to the insurer. If a misrepresentation is deliberate or reckless, an insurer may avoid the insurance contract, refuse claims, and retain premiums. If a consumer fails to take care, the insurer still has remedies it can rely upon, provided it's a 'qualifying misrepresentation', that is where the insurer wouldn't have offered the policy if the consumer hadn't made the misrepresentation.*

*I've carefully considered the submissions of both parties and have concluded on a provisional basis that there has been confusion on both sides. Whilst I don't doubt that a D&G sales representative may have first contacted Mr J to sell a policy, I've listened to the telephone call when Mr J registered his appliances. It's clear that this call was initiated by Mr J. I recognise that Mr J may not have been entirely ready with the exact details of the cooker hood or other appliances. I've noted from this telephone call however that Mr J clearly said that the appliances were of a particular make and therefore, contrary to Mr J's submission, he didn't give all the required details for the product. I can understand that as a make sticker appeared on the two other appliances, he may have assumed that the cooker hood was also*

of that make. However, this doesn't alter the fact that this was a mistaken assumption and that he therefore registered the wrong make with D&G.

Mr J will then have received the relevant policy documents which specified that the cooker hood was of a particular make and Mr J accepted that he didn't check the policy details. Mr J also said that he made it clear in the telephone call that he wasn't sure of the brand name. Having listened to the call however, I consider that Mr J made a clear statement about the make and didn't mention that he wasn't sure of the make. As to whether he was assured that D&G would cover all appliances, I've noted that D&G indicated that it could register on behalf of all makes and then listed some well-known brands.

D&G said it was unable to supply a repairer for this manufacturer but accepted that it had offered the customer the option of a 'pay and claim'. It said that this was on the understanding that the appliance was of the make Mr J had specified. However, this is incorrect. When it made this statement, it was already aware of the correct make as this had been described by Mr J in the same telephone call. It's likely that Mr J took this statement on face value, instructed his own engineer, paid the call-out fee of £50 and purchased a new cooker hood when his engineer advised replacement.

I agree with our investigator that Mr J had responsibility for providing correct details when taking out his policy and for then checking that details were correct when he received his policy documents. The details were clearly incorrect as the wrong make had been specified. In the circumstances and on a provisional basis, I consider that Mr J made a genuine mistake but didn't take sufficient care in providing make details on registration and that the insurer's usual remedies under CIDRA therefore applied. As the insurer didn't cover the make of cooker hood, I consider that if it had been told the correct make at the outset by Mr J, it would have declined cover. Again, on a provisional basis therefore, as it offered a refund of premiums, I consider that this was a fair and reasonable outcome.

Nevertheless, I don't consider that D&G acted in an entirely fair and reasonable manner in all respects. D&G became aware or should have become aware that the details were incorrect when Mr J telephoned to make a claim in January 2022. It should also have realised at this point that the correct make wasn't one it supported. Instead it encouraged Mr J to believe that he could instruct his own engineer and arrange a 'pay and claim' in relation to the correct make. On a provisional basis I therefore don't consider that D&G had established all the facts before providing its advice to Mr J in January 2022 and didn't immediately correct its mistake. It appears that D&G then subsequently realised its mistake. I also note that Mr J had to chase D&G for a response and hadn't received satisfactory customer service. On a provisional basis, I therefore conclude that D&G should pay modest compensation of £150 for the confusion and frustration caused by it failing to correctly advise Mr J and to then immediately correct its mistake.

Again, on a provisional basis, I don't however consider that D&G has acted in an unfair or unreasonable manner in cancelling the relevant policy and refunding Mr J's premiums as he had taken out a policy for the incorrect make. I appreciate that Mr J then had to pay his own engineer a call-out fee of £50 who advised that the cooker hood should be replaced and that Mr J then went ahead to buy a new cooker hood and to pay for its fitting. I consider however that on the balance of probabilities, even if D&G had provided the correct advice in January 2022, Mr J would still have needed to proceed with the same course of action. I appreciate that this will come as a disappointment for Mr J, however in all the circumstances of the case, I provisionally conclude that this provides a fair and reasonable outcome.'

In my provisional decision, I also asked both D&G and Mr J if they had any further comments or evidence they would like me to consider before I made 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.

Mr J hasn't provided any further information or evidence following my provisional decision and D&G has accepted the provisional decision.

In all the circumstances, I've concluded that the provisional decision provides a fair and reasonable outcome to the matter.

### **My final decision**

For the reasons given above, I partly uphold Mr J's complaint and I require Domestic & General Insurance Plc to pay Mr J £150 for the frustration caused to Mr J during the course of his customer experience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 15 February 2023.

Claire Jones  
**Ombudsman**