

The complaint

Mrs A's complaint is about an insurance policy set up in her name by Domestic & General Insurance Plc.

What happened

In late 2023, Mrs A contacted D & G because she had received notice that an appliance insurance policy in her name was about to expire. Mrs A says she did not know anything about the policy and was concerned that her identity had been stolen. D & G told her the policy was taken out in 2021 in a store and was correctly in her name.

Mrs A made a complaint as she says the policy was set up by D & G without suitable identity checks and this could have affected her credit score and her personal data. She wants compensation for the breach of her data and the trouble caused to her.

D & G then looked into the matter further. It said that a previous occupant of Mrs A's address had set up an insurance policy in 2021. That policyholder had not told D & G they had moved address. In early 2023, Mrs A called D & G to register her appliance for cover and as she gave an address that was already set up with a policy, the agent incorrectly changed the name on the existing policy to Mrs A, rather than setting up a new policy in her name. When Mrs A had first enquired about it, D & G had failed to spot the error it had made. It says her data has not been breached and Mrs A was not charged for the policy in question and so there will be no effect on her credit rating. D & G said it was a genuine mistake and apologised.

Mrs A remained unhappy with D & G's response and brought the complaint to us. She says she never tried to register an appliance with D & G and only contacted it about the renewal letter she received. She wants to know how it got her name and personal details. Mrs A also says that she spoke to many D & G representatives and they were all adamant she had set up the policy, which caused her a lot of stress, confusion and worry.

One of our Investigators looked into the matter. The Investigator was satisfied that Mrs A had not suffered any financial loss, as her credit rating had been unaffected and she had not been charged. He was also satisfied that her personal data had not been shared with any other party. However, the Investigator acknowledged that D & G's errors had caused Mrs A unnecessary distress and inconvenience and he recommended that D & G pay Mrs A £100 compensation for this.

D & G accepted the Investigator's assessment. Mrs A did not accept the Investigator's assessment, as she does not consider the compensation he proposed was reasonable. She says she is pregnant and this matter has caused her a great deal of stress and high blood pressure. Mrs A says the sum of £750 would be fair compensation for the matter.

As the Investigator was unable to resolve the complaint, it has been passed to me.

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.

It is accepted by D & G that it set up an account in Mrs A's name in error. It says this was an error after she called to register another appliance but she denies this.

I cannot say for certain how this error occurred or why and I do not think it is necessary for me to do so in order to fairly determine this complaint. I say this because we have no power to punish or fine a business, as we do not regulate financial businesses. Instead we consider what happened and how this affected an individual complainant. So I can't provide Mrs A with the answers that she wants about how this error came about but I do have the power to make an award that puts things right and to reflect any material distress or inconvenience caused.

I bear in mind that Mrs A was not charged for the policy, it has not affected her credit record and her data was not shared. D & G has rectified its records and apologised. However, I have also considered everything Mrs A has said and I do appreciate the concern this would have caused her, especially after contacting D & G and initially being told (more than once) the policy had been set up correctly.

I therefore agree that some compensation is appropriate to reflect the trouble this matter caused Mrs A. Having considered all the circumstances, I agree with the Investigator that the sum of £100 is fair and reasonable and in line with awards made in similar scenarios.

My final decision

I uphold this complaint and require Domestic & General Insurance Plc to pay Mrs A the sum of £100 compensation for the distress and inconvenience this matter has caused her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 19 August 2024.

Harriet McCarthy
Ombudsman