

The complaint

Ms O complains that she was mis-sold household warranty policies by Domestic & General Insurance Plc (D&G).

What happened

Ms O moved into a new home in 2021 and contacted D&G to register the warranties on several new appliances. She says its agent advised her of the need for insurance. Ms O says she was unsure of the difference between the warranty and the insurance. However, she says she provided her card payment details and paid the insurance for two years. At this point she realised she needn't have paid for the insurance as the warranty provided the cover she needed.

In its final complaint response D&G told Ms O that it had reviewed the sales call. It says the correct information was given about the manufacturer's cover and what the insurance provided. D&G concluded there was no evidence that Ms O had been mis-advised.

Ms O didn't think he'd been treated fairly and referred the matter to our service. Our investigator didn't uphold her complaint. She says D&G's agent had explained over the phone that the manufacturer's warranty didn't include accidental damage. This is the cover that was offered to Ms O. She says electrical and mechanical failure cover began once the manufacturer's warranty ended. And that this was also explained during the sales call and within the policy documentation D&G sent to Ms O.

Ms O didn't agree with our investigator. She raised concerns with D&G's practice of selling insurance when customer's call to register a warranty. Because she disagreed she asked for an ombudsman to consider her complaint.

It has now been passed to me to decide.

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 not upholding Ms O's complaint. Let me explain.

D&G must provide clear information when offering insurance services. This is so that the customer is able to make an informed decision before agreeing to take a policy. I've considered whether it did so here.

I've listened to the call when Ms O contacted D&G to register the manufacturer's warranties for a number of her household appliances. During the call the agent goes through the model numbers for each of the appliances and completes the registration. He then explains that mechanical and electrical failure is covered under warranty, but accidental damage cover isn't. He explains that accidental damage insurance will be provided if Ms O decides to take the additional cover D&G can offer. The agent says this cover will also take over and provide

for mechanical and electrical failure once the manufacturer's warranties expire.

The call lasts just over 30 minutes. Ms O asks if she needs to agree during the call. D&G's agent says she doesn't, but that a discount is being offered if she agrees over the phone whilst registering her warranties. Ms O then agrees to take the additional cover.

I've read the policy documentation D&G sent to Ms O. It says it's important that she reads the terms and conditions for the cover she agreed. It says the policy covers breakdown after the manufacturer's guarantee for mechanical and electrical breakdown. In addition, the policy covers accidental damage both during and after the manufacturer's guarantee period.

Under the section headed "*Cancellation and ending of the policy*", it's explained that Ms O has a 14-day period to cancel the policy and receive a full premium refund if she changes her mind. This starts from when the policy documentation is received or when the policy starts, whichever is later.

Having listened to the sales call and read the policy documentation, I'm satisfied that Ms O was given full and clear information about the cover she took. If once she'd read through the terms and conditions she decided this wasn't something she wanted to continue with, she still had the opportunity to cancel her policies without charge.

I'm sorry that Ms O feels she has been misadvised. But I don't think D&G did anything wrong here. I note what Ms O says about disagreeing with the practice of offering insurance services during a call to register a warranty. However, our role is to consider Ms O's individual complaint. Ms O's concern is about D&G's wider business practices. If I thought she'd been treated unfairly I could instruct D&G to take action to put this right. But I don't think she was treated unfairly. Our service isn't a regulator and I'm not able to tell D&G how it should run its business. So, although I'm sorry Ms O is disappointed I can't fairly ask it to do anymore.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 25 September 2024.

Mike Waldron
Ombudsman