

The complaint

Mr C has complained that Domestic & General Insurance Plc ('D&G') declined his claim under his appliance insurance policy and mis-sold the policy to him. For the avoidance of doubt, the term 'D&G' also includes reference to its agents and representatives for the purposes of this decision.

What happened

Mr C's TV unfortunately broke down without warning in April 2024, and he made a claim for the loss on his insurance policy which he'd taken out with D&G in the previous month. Mr C had bought his TV over 10 years previously and no longer had a receipt for its purchase. The dealer from whom he'd bought it had since retired. Mr C s however provided photographs of the TV, the original manual, and an invoice for his new TV.

D&G declined Mr C's claim and declined to contribute to the cost of his new TV, as Mr C hadn't provided a receipt for the original TV, and the claim was made shortly after the policy was taken out. It therefore considered that Mr C hadn't proved ownership as required under the terms and conditions of the relevant policy.

Mr C referred his complaint to this service. The relevant investigator appreciated why D&G had requested evidence to show when the appliance was purchased, however it was his view that when Mr C made his claim, he wouldn't have known whether D&G would then have sought to replace or repair his broken TV. He therefore considered it unlikely that it was Mr C's intention to have purchased an old TV with the goal of having it replaced, especially as it was over seven years old when he took out the policy.

The investigator also accepted that Mr C no longer had a receipt or payment details due to the length of time since the TV was purchased and that he had provided the only available proof of ownership. The investigator concluded that D&G should pay Mr C £250 in compensation due to the trouble and upset caused.

D&G disagreed with the outcome of the complaint. The case has therefore been referred to me to make a final decision in my role as Ombudsman.

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.

The key issue for me to determine is whether D&G applied the terms and conditions of the relevant policy in a fair and reasonable manner in declining Mr C's claim. I don't consider that D&G acted fairly and reasonably in all respects, and I'll explain why. In determining this case, I've also carefully considered the submissions of the parties as summarised below.

Turning firstly to Mr C's submissions, he said that he'd been persuaded to purchase the relevant policy by a telephone salesman who rang him *'out of the blue'* He said he'd had no

thought of insuring his TV, and *'It was D&G who instigated the contract, obviously with a profit motive. It now appears that part of their profit strategy is to place every barrier they can muster to prevent policyholders making a claim'*. Due to his experience of D&G's attitude to claims, he elected to discontinue cover.

Mr C said that he'd made the salesman aware of the age of the TV, who assured Mr C that it would be covered. The salesman didn't explain that in order to make any claims, Mr C would need to produce the original purchase receipt. He added that he felt that the relevant provision was buried in nine pages of small print. After close reading, he accepted there was a condition which referred to the need to submit evidence of purchase or other undefined documentation. Mr C said that he did however have the original instruction booklet, and he also supplied photographs of the TV and its serial number. He thought that this could confirm the manufacturer's guarantee to be in his name. He also went back to the manufacturer's website to try to check the date of manufacture, however the site didn't go back that far.

Following its breakdown, Mr C acknowledged that due to its age, a repair was neither possible nor viable. He wanted D&G to pay for the replacement TV or at least a part of the cost. He accepted that the new TV was larger with more features so that there may be some 'betterment'. He felt that D&G had created an environment which made it very difficult for consumers owning older TVs to make a successful claim. He'd expected prompt authorisation to go ahead with replacing a TV set. In the circumstances however, he was without a TV for a fortnight whilst dealing with D&G. In conclusion, Mr C didn't think that D&G had acted in good faith and had acted contrary to his consumer rights.

I now turn to D&G's submissions regarding Mr C's complaint. It explained that Mr C's policy covered him in relation to *'all parts, labour, and call out charges for breakdown, accidental damage, and new for old replacement of his...TV and four other [appliances]'*. The policy was to be paid by monthly direct debit but was cancelled at Mr C's request before a payment could be taken. D&G's records showed that Mr C set up this policy in March 2024 and less than three weeks later, reported a fault with his TV. Due to the proximity of the claim to the plan inception date, it said that Mr C was asked to provide proof of purchase. It referred to the customer's obligations under the policy *'to provide evidence in support of claims if requested by us such as proof of purchase'*. It considered that there had been no detriment as Mr C hadn't made a single payment towards the policy.

As to the sales call that took place on the in March 2024, D&G accepted that the salesperson read the standard summary only of the relevant terms of conditions. It said that Mr C was also advised however that the full document would be sent to him. D&G stated that it didn't dispute that Mr C owned a TV, however it said that it did need to know when the customer had purchased the TV, and that it would have considered alternative evidence such as a bank or credit card statement. It considered that it was acting reasonably by ensuring that a faulty appliance hadn't been purchased at a reduced rate prior to taking out a policy, and that *'there was otherwise no way to determine the intentions when setting up a policy'*. It said that the photographs of the TV didn't evidence Mr C's ownership.

I now turn to my reasons for upholding Mr C's complaint. Firstly, I should say that I can understand why D&G would wish to take care to ensure that claims are genuine and why it would wish to request adequate supporting evidence in order to identify fraudulent claims. I also note that D&G consider that there was ultimately no detriment to Mr C as he didn't make any payments under the relevant plan.

My judgment must be reached on the basis of the available evidence, its credibility, and on the balance of probabilities. In this case, I'm satisfied that the evidence clearly supports Mr C's position that he purchased his TV as new over 10 years previously. The terms and

conditions of the policy allow for documentation other than an invoice or receipt to suffice as evidence of purchase.

In this case, D&G's salesman had accepted that the TV as well as the other items included in the policy were covered at the date of inception of the policy, and Mr C was able to provide the original manual for the TV as well as photographs with the serial number. I consider that on the balance of probabilities, this documentation supports Mr C's position that he purchased the TV as new.

It is understandable that a receipt or bank/credit card statement would no longer be available after a period of 10 years. Whilst D&G consider that without sight of a receipt or statement, there was no way to determine the customer's intentions when setting up a policy, I disagree. I've no reason to doubt that it was the salesperson who had approached Mr C regarding the sale of this policy rather than the other way round. This clearly indicates that the TV hadn't been acquired prior to Mr C taking out the policy, with view to making a claim. Furthermore, Mr C provided evidence of the serial number, which would have allowed D&G to make further enquiries with the manufacturer as regards any warranty in Mr C's name.

In summary, Mr C bought an insurance policy thinking that it would cover his appliances, regardless of whether they'd broken down soon after purchase of the policy or much later. I've found Mr C's evidence to be persuasive. He candidly accepted that there was likely to be a degree of 'betterment' regarding the new TV and that his old TV was over 10 years old. I therefore have no reason to doubt that the breakdown happened as described by Mr C shortly after the date of purchase of the policy.

Whilst D&G consider that there was ultimately no detriment, as Mr C didn't make any payments under the relevant plan, however he had been led to believe by D&G's salesman that he had cover, was left without a TV for a fortnight and he then had to engage in lengthy correspondence with D&G in order to resolve the matter. In conclusion, I agree with the service's investigator that a fair and reasonable outcome would be for D&G to pay compensation of £250 to Mr C for the trouble and upset caused.

My final decision

For the reasons given above, I uphold Mr C's complaint and I require Domestic & General Insurance Plc to pay Mr C £250 for his trouble and upset caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 10 December 2024.

Claire Jones
Ombudsman