

## **complaint**

Ms C complains that Domestic & General Insurance Plc (“D&G”) mis-sold a home emergency policy to her.

## **background**

Ms C took out a policy with D&G in 2004. The policy (known as a “Platinum” policy) provides breakdown cover for her boiler and central heating system. Ms C was sold the policy when the original guarantee for her boiler ran out. She says she only wanted cover for the boiler, not the whole system, and thought that was what she had.

Ms C renewed her policy each year. Following a phone call to D&G in March 2016, she realised that she had cover for the whole system. Ms C cancelled the policy and D&G replaced it with a “Gold” policy that only covered her boiler.

Ms C then complained to D&G and to this service. She said the policy was mis-sold to her, because she was never told the level of cover she had. She asked for a refund of the difference in premiums between the Platinum and the Gold policies, as she was paying a higher premium for cover that she didn’t want.

D&G wouldn’t offer a refund, because it said the policy documents sent to Ms C every year were clear about the level of cover she had. Our adjudicator said the policy document did set out the level of cover. But the renewal letter and policy schedule only referred to the boiler. He thought it could have been clearer, and could see why Ms C might have been confused. He asked D&G to pay £200 compensation for the distress caused to Ms C.

D&G agreed to this proposal, but Ms C didn’t. She’d like a refund of the difference in premiums.

## **my findings**

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 will be partly upholding the complaint.

Ms C originally bought her policy by phone in 2004. Because of the time that has passed since then, D&G has limited information about the sale. It doesn’t have a recording of the call. So there’s not enough evidence for me to reach any firm conclusion on how the policy was sold to her.

Each year since then Ms C has renewed the policy. D&G says the policy document sets out the level of cover provided. It’s true that the details of cover are set out in the policy terms. I wouldn’t necessarily expect a policyholder to read through all the policy terms in detail to establish what cover they have. But the ‘key facts’ document gives a summary of the cover, including a bullet point list, which says there’s breakdown cover for the boiler, controls and system. These are defined in the policy wording. I think someone reading the key facts would know what’s covered by their policy.

I take the point that the covering letter and renewal notices only referred to the boiler. So I agree the documents could have been clearer; if she read the renewal notice, Ms C might have been confused. I think it’s fair that D&G should compensate her for that. But there was

enough information in the policy document showing the level of cover. So D&G had given Ms C details of her cover at each renewal. And there's not enough evidence for me to be able to conclude that D & G mis-led her about the cover when it was first sold. On balance, I don't think it would be fair to expect D&G to refund the difference in premiums in these circumstances.

**my final decision**

My final decision is that I uphold the complaint in part and direct Domestic & General Insurance Plc to pay Ms C compensation of £200.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 8 September 2016.

Peter Whiteley  
**ombudsman**