

## The complaint

Mr D has complained that Domestic & General Insurance Plc wrongly destroyed his mobile phone and its data under his mobile phone insurance policy.

## What happened

Mr D sent in his mobile for repair to D&G. Unfortunately, neither Mr D nor D&G realised this phone wasn't covered by any policy with D&G. As the phone couldn't be repaired D&G had destroyed it also instead of simply returning the phone back to Mr D since there was no policy covering it. Mr D was very upset that his family photos and videos were also destroyed.

D&G offered Mr D £210 in vouchers to buy an equivalent phone. Having cancelled his policy which was for another phone, it also reinstated that policy so Mr D could claim on it with the other phone. Mr D remained unhappy with the compensation and brought his complaint to us.

Following this D&G then offered Mr D a further £210 in vouchers bringing the total compensation to £410. The investigator was of the view this was now sufficient, and D&G didn't need to do anything more. Mr D disagreed so his complaint was passed to me to decide.

I issued a provisional decision on 24 August 2022 saying the following:

*'Clearly both Mr D and D&G should have known whether his phone was covered by the policy. But I consider this was mainly D&G's responsibility. So, it's clear D&G made this mistake. In first accepting his phone for repair and then destroying it since it was incapable of being repaired.*

*However, whilst it would have been wise for Mr D to back up his phone before sending it in for repair, I don't consider it was fair or reasonable for D&G to have destroyed the phone without discussing it with Mr D first. Therefore, I consider this was distressing for Mr D and I consider D&G should pay Mr D some compensation. This is compensation for the distressing aspect of losing the photos and videos only. Given it's evident Mr D also had other phones too. Having regard to that I consider £150 compensation is fair and reasonable and is in line with other awards I have made in similar circumstances.*

*Further I can see there were several discussions over the make and model of Mr D phone and that initially Mr D said the initial £210 offered wouldn't buy him another phone of this model. Notwithstanding that D&G's responsibility is merely to replace the value of Mr D's phone at the time it was destroyed, rather than the cost of a new phone, I'm persuaded that the increase offered by D&G of £410 is now reasonable.*

*D&G cancelled the policy which was actually covering another phone belonging to Mr D. At the investigator's insistence it has now reinstated that policy. D&G also said that Mr D made a subsequent claim on that policy with the correct phone.'*

Mr D accepted my provisional albeit he still felt the compensation was low. He asked for the compensation to be paid in cash rather than vouchers too. D&G didn't respond.

### **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 again, I see no reason to change from my provisional decision. I also see no difficulty with Mr D being paid in cash either via a bank transfer or via a cheque.

### **My final decision**

So, for these reasons, it's my final decision that I uphold this complaint.

I now require Domestic & General Insurance Plc to do the following:

- pay Mr D the full sum of £410 as compensation for the loss of his phone which wasn't insured under any of its policies for Mr D.
- pay Mr D an additional £150 compensation for the wrongful destruction of his phone and the distress of losing the photos and videos on it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 5 October 2022.

Rona Doyle  
**Ombudsman**