

The complaint

Ms N complains about Domestic and General Insurance PLC (D&G) who wouldn't progress her claim under her gadget insurance policy.

What happened

Ms N said that her mobile phone was forcibly stolen whilst she was abroad. When she returned to the UK, she contacted D&G to make a claim. It asked for further information in order to progress the claim. That information related to a police report or crime reference number, as well as proof that Ms N had blocked the IMEI, so that the phone could no longer be used.

Ms N provided the police report but was unable to provide proof that she blocked the IMEI. She said that she made a number of attempts to try and block the phone. She said that she had it marked as lost with the phone manufacturer. She said she had asked her network provider and phone manufacturer but to no avail. She hadn't been able to block the phone. So, Ms N complained to D&G.

In its final response, D&G said as it was her insurer, it was unable to block the IMEI number, but her network provider could block it. It said that until there was proof that the IMEI had been blocked, the claim couldn't be progressed. It accepted that there had been some delays during the claims process and for this it offered compensation of £50, for the trouble and upset caused.

Ms N was given her referral rights and referred a complaint to our service. One of our investigators considered the complaint and ultimately said that it was reasonable for D&G to ask for proof that the IMEI had been blocked. He said that the blocking of the IMEI could be done online. He accepted that there had been delays but thought that the compensation should be increased from £50 to £100 for the trouble and upset caused.

D&G accepted the view, Ms N did not. She said that her network provider had admitted to her that it could have blocked the IMEI number. And our service could speak directly to them to confirm this. She said that she was unable to block the IMEI number and she had tried but she had now run out of options. So, she asked for a decision from an 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.

Having done so, I will uphold this complaint, but for much the same reasons as our investigator, which I think might be a disappointment for Ms N. But I hope my findings go some way in explaining why I've reached this decision.

D&G said that it was unable to progress the claim until Ms N provided it with evidence that the IMEI number had been blocked. It said that the reason why it requested that the IMEI number was blocked was to prevent anyone using the phone further. Especially, as Ms N had described how the phone had been taken, which was by forcible theft. Further, as Ms N had provided a police report (as per the policy terms and conditions) and this disclosed a forcible theft, then I can understand why D&G would want proof that any persons who had no right to have the phone, were not able to use the phone.

Whilst I accept that the policy terms and conditions do not say that the IMEI number must be blocked before a claim is progressed, I think that D&G are entitled to be satisfied that Ms N no longer has the phone in her possession. Also, I think that given that the IMEI is unblocked, this could potentially mean that Ms N could be incurring call costs for a phone that she said she no longer has. Ms N has confirmed that she is still paying her monthly insurance premium payments which supports that she is paying for a service that she is not having the benefit of.

Consequently, although I accept that Ms N has provided evidence to show that she has suffered loss under the policy, I think it's fair and reasonable for D&G to ask for proof that the IMEI number has been blocked, before it progresses the claim.

I understand that Ms N has said that she was unable to block the IMEI number and that her network provider told her that it was able to block the phone. I have read the screenshot that Ms N provided in support of this and I can't agree that her network provider said it was able to block the IMEI for her. But I have carried out an internet search and there are a few websites that allow for IMEI numbers to be blocked online, in a few simple steps. So, I don't think it would be difficult for Ms N to block the IMEI number online. And once this is done, I would expect D&G to progress her claim, in line with the policy terms and conditions.

Finally, D&G accepted that there were some customer service failings and I agree that for the errors and distress caused to Ms N, that D&G ought to pay £100 compensation.

Putting things right

Consequently, I think that D&G should put matters right as I direct below.

My final decision

For the reasons given, I uphold this complaint.

Domestic and General Insurance PLC should pay Ms N £100 compensation for the trouble and upset caused.

Ms N should block the IMEI number, provide the evidence to Domestic and General Insurance PLC and it should then progress the claim.

Domestic and General Insurance PLC must pay the compensation within 28 days of the date on which we tell it Ms N accepts my final decision. If it pays later than this, it must also pay interest on the above amounts from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms N to accept or reject my decision before 23 September 2022.

Ayisha Savage
Ombudsman