

## **The complaint**

Ms S complains Domestic & General Insurance Plc (D&G) gave her poor customer service when she claimed under her appliance insurance policy, then unfairly declined the claim.

## **What happened**

Ms S had appliance insurance policies with D&G. In November 2021, she claimed under one of her policies because her washing machine wasn't working. D&G's engineer visited a few days later and thought a part was needed to repair it.

About three weeks later, Ms S called D&G because her washing machine still wasn't working and she'd not heard from D&G. She was transferred to another team, and Ms S explained that the engineer said she'd hear whether or not they could get a spare part or whether they'd provide her with a new washing machine, and that D&G had passed her calls around a lot. D&G apologised that the engineer had referred Ms S back to it, but said Ms S should call it again at the end of the week as it would know by then whether a spare part would come through.

Ms S called D&G back a few days later. It couldn't initially find her details, so it transferred her to another team who then apologised for the unnecessary transfer. D&G said its records suggested Ms S's washing machine was going to be a 'write-off', and logged her complaint about its claim handling. Ms S told D&G she had to take her washing to her daughter's but didn't like having to do that and found it inconvenient.

On 14 December 2021, D&G sent Ms S its final response to her complaint. It apologised and offered her £30 compensation for transferring her calls around its teams and not updating her. But D&G said it was declining her claim, because Ms S's policy terms and conditions said she must make her product accessible, compliant with all relevant safety standards and safe to work on, as determined by D&G's engineer. And its engineer thought it wasn't safe to work on and didn't meet relevant safety standards.

Confused and unhappy, Ms S came to our Service and told us this matter left her spending £10 per week at the laundrette. And in January 2021, Ms S cancelled her D&G insurance policies because she was unhappy about how it had dealt with her claim.

When this Service contacted D&G it couldn't confirm what made its engineer feel unsafe, but suggested it was concerns about hygiene and clutter in Ms S's kitchen, and provided photos to support this. It said it might have chosen to continue with the claim if Ms S had made changes to her kitchen environment and the accessibility of the washing machine. But it didn't expect its agents to suggest this to Ms S, and it could no longer explore this as Ms S chose to cancel her policy.

Our Investigator thought D&G gave Ms S poor customer service, unfairly declined the claim and didn't give her the opportunity to address its concerns about her kitchen. She said D&G should revisit the claim and communicate with Ms S about that; compensate Ms S £7 per week for unavoidable laundrette costs she'd incurred since it declined her claim, until the claim is settled; and pay Ms S a further £100 compensation for the distress and

inconvenience it caused by unfairly declining her claim and leaving her without a working washing machine, in addition to the £30 it had itself already offered.

D&G disagreed. It said it correctly declined the claim. And Ms S had chosen to cancel her policy, so D&G no longer had any liability to complete the repair to her washing machine.

Therefore, this complaint was passed to me for consideration.

### **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.

In its final response letter, D&G accepts it caused Ms S distress and inconvenience by transferring her calls around its teams and not updating her. I think the £30 compensation it's offered is fair and reasonable for this minor distress and inconvenience.

Based on the evidence I've been provided with, D&G told Ms S her claim would be declined in its final response letter dated 14 December 2021 - it explained its engineer had reported it wasn't safe to work in her kitchen and it didn't meet relevant safety standards. D&G says this is in line with the policy term that says, *"You must arrange any work required to make your product accessible; compliant with all relevant safety standards and safe to work on (as determined by our engineer)"*.

In thinking about whether D&G was fair to rely on this 'access and safety' policy term to decline Ms S's claim, I've considered the photos and comments D&G has provided to us. I'm satisfied Ms S's washing machine was reasonably accessible, because the photos show it already pulled out a little from under the work surface and with space in front of it.

D&G suggests issues of hygiene and clutter in Ms S's kitchen made that working environment unsafe for its engineer. Based on the evidence I've been provided with, I can't see any specific hazards to health - an example of this might be medical or other hazardous waste. Instead, the photos of the kitchen show clutter and areas that don't appear to be clean. So I accept the conditions in Ms S's kitchen were less than ideal for working in. And if D&G was concerned that a working environment might be less than ideal for one of its engineers, I think it's reasonable to expect D&G to provide its engineers with suitable protective clothing and equipment, or to politely and clearly discuss this with the consumer.

But I can't see that D&G did either of those things here. Instead, it left Ms S without an update and then told her it was declining her claim without telling her why its engineer thought her kitchen wasn't safe to work in and didn't meet relevant safety standards, and without giving her the opportunity to address its concerns.

For these reasons, I'm satisfied it wasn't fair and reasonable of D&G to rely on the 'access and safety' policy term to decline Ms S's claim. I'm also satisfied this would have caused Ms S uncertainty, confusion and frustration, and inconvenience in having to chase things up with D&G and wash laundry outside her home for longer than necessary. I think a further £100 compensation is fair and reasonable for that.

As well as distress and inconvenience, I'm satisfied D&G caused Ms S a financial loss here. A few days before D&G declined her claim, Ms S told it she was washing her laundry at her daughter's but didn't like doing that and found it inconvenient. So I understand why Ms S wouldn't have done that for long, and she later told our Service she'd been doing her laundry at the laundrette at a cost of £10 per week. I accept Ms S's testimony as a reasonable

explanation of her laundry arrangements and costs while her own washing machine wasn't working.

And I think Ms S has taken reasonable steps to mitigate this financial loss. She promptly pursued her complaint firstly with D&G and then with our Service. And since D&G initially told Ms S her claim would be settled but it could either be through repair or replacement, I can understand why Ms S didn't arrange one of those options herself, as a repair might not be sufficient and D&G might not reimburse her for a replacement.

So D&G unfairly declining Ms S's claim has left her without a working washing machine and paying £10 per week to use a laundrette. Ms S would always have incurred some costs even when using her own washing machine at home, for example for electricity and water. I think our Investigator's suggested estimate of £3 per week for these unavoidable costs is fair and reasonable, and I note neither Ms S or D&G dispute this. Therefore, D&G should compensate Ms S for the remaining £7 per week, as that is her financial loss here. And it should compensate Ms S for this from when it unfairly declined her claim until it settles the claim.

Regarding the claim itself, D&G says it no longer has any liability because Ms S has now cancelled the policy. But I don't agree, because the policy was in force and providing cover at the time Ms S claimed. And the system records and call recordings D&G have provided suggest that it originally accepted her claim and was simply deciding how to settle it, by seeing whether the necessary part was available or not so it could decide whether to repair the washing machine or replace it. So I'm not asking D&G to deal with this as a new claim – instead, I am saying it didn't deal fairly with Ms S's original claim when it declined it on the basis of the 'access and safety' policy term.

Therefore, D&G should reconsider Ms S's claim, subject to the remaining terms of her policy. I understand D&G may have concerns about the condition of Ms S's kitchen. If so, I'd expect D&G to communicate clearly with Ms S about them and work positively with her.

### **Putting things right**

To put things right, D&G should reconsider Ms S's claim and working clearly and positively with her; pay Ms S £7 per week for unavoidable laundrette costs, since it declined her claim until the claim is settled; and pay Ms S a further £100 compensation for the distress and inconvenience it caused by unfairly declining her claim, in addition to the £30 it's already offered.

### **My final decision**

For the reasons set out above, I uphold this complaint. Domestic & General Insurance Plc must:

- Reconsider Ms S's claim and work clearly and positively with her.
- Pay Ms S £7 per week for unavoidable laundrette costs, since it declined her claim until the claim is settled.
- Pay Ms S a further £100 compensation for the distress and inconvenience it caused by unfairly declining her claim, in addition to the £30 it's already offered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or

reject my decision before 12 October 2022.

Ailsa Wiltshire  
**Ombudsman**