

The complaint

Miss W complains about the time it took for Domestic & General Insurance Plc to deal with her claim when her mobile phone was stolen. She's also unhappy about the level of customer service she received.

What happened

Miss W has insurance cover for her phone with D&G. She called D&G on 26 June 2022 to make a claim as her phone had been stolen. The circumstances of the theft were quite traumatic for Miss W as the phone was grabbed from her hand by a passing motorcyclist, as she was making a call. When she first spoke to D&G Miss W was told that their Claims team would contact her within two hours.

Miss W called D&G back as she hadn't heard from the claims team within two hours. She was then told she should have been told the Claims team wouldn't call her before Monday, as they didn't work weekends, and she'd reported the theft on a Sunday. A complaint was raised as Miss W wasn't happy that no one had contacted her about her claim.

Miss W called D&G again on 29 June as she hadn't heard from the Claims team. Her claim was accepted on D&G's system and she paid her £75 policy excess. D&G apologised for the delay, but Miss W wasn't given any timeframe for processing her claim. She told them she'd bought a cheap replacement phone, as she needed a phone for work.

The call was transferred through to the Complaints team and Miss W told them their advisors had provided inconsistent and incorrect information. D&G apologised for this and agreed to refund the policy excess Miss W had just paid.

Miss W called D&G again on 6 July 2022 as she was still waiting for her replacement phone. D&G agreed to chase this for her.

She called D&G again on 8 July 2022. The advisor she spoke to checked with their suppliers and told Miss W they didn't have a replacement phone in stock. She was told they'd normally allow seven days to provide a replacement, and as this hadn't been possible, they'd be looking to provide a cash settlement. Miss W told them she had the phone on a contract, and she'd have to check with her provider to see if a cash settlement was acceptable. She was told the product replacement team would contact her, this would normally be within 24 hours, but as it was Friday, this was likely to be the following Monday. D&G's records show that their agent contacted their suppliers on 8 July 2022 and chased them on 11 July 2022.

Miss W called D&G for an update on 13 July 2022 as she hadn't heard further about the cash settlement. The first call was unproductive as she wanted to talk about her claim and the advisor was asking questions about her complaint. Miss W wanted to be transferred to someone else as she said the advisor was rude to her. She was told if she wanted to speak to someone else, she'd need to call back. She said she was going to raise a complaint about the call.

Miss W called back as she'd been told to and spoke to a different advisor. They told her they

couldn't provide an update on her cash settlement and she needed to speak to the product replacement team. She couldn't be transferred to them as the department was closed, but she was given their direct number to call them the following morning.

Miss W raised a further complaint on 15 July 2022 about the delay in providing a replacement phone and about how one of D&G's advisors had spoken to her on 13 July 2022. A cash settlement of £1,049 was agreed with Miss W. She was offered £19 on 19 July 2022 for distress and inconvenience, which was the cost of one month's premium on her policy.

D&G accept that Miss W's claim took longer to process than they'd expect but say the policy doesn't include a timeframe for repair or replacement. They've also said that Miss W wasn't without a phone, as she told them she'd purchased a replacement.

Miss W wasn't happy with D&G's response to her complaint and complained to our service. Our investigator considered the case but didn't uphold Miss W's complaint. He said he understood her frustration about the delay in settling her claim, which had taken 19 days, but he felt the £94 compensation she'd received was reasonable.

Miss W wasn't happy with our investigator's opinion so the case came to me for a decision.

I issued my provisional decision on 11 November 2022 and in it I said: -

Miss W first contacted D&G about her claim on 26 June 2022. It's clear from what she's said about the theft of her phone, that this was a traumatic experience. And she wanted a replacement phone as quickly as possible. While she told D&G she'd bought a pay-as-you-go phone, as she needed a phone for work, she'd also told them this wasn't reliable, and she provided her mother's number for them to contact her on.

D&G have accepted that there was a delay in dealing with Miss W's claim. Her policy is silent about the timescale for providing a replacement phone, but D&G told her they'd normally expect this to take about seven days.

I appreciate that there was some delay when D&G's suppliers couldn't source a replacement phone. But registering Miss W's claim took too long and she had to keep calling them for updates when D&G or their suppliers should have been updating her.

Miss W's claim was registered on 29 June 2022, three days after she first called D&G. The advisor she spoke to took a payment for her £75 policy excess. They apologised for the delay in processing her claim and put her through to the complaints team. The advisor from the complaints team agreed to refund her £75 policy excess as compensation for the delays to date.

After 29 June 2022 the delays continued, Miss W had to continue to chase D&G and little happened unless she did this. She was told that D&G's suppliers should have contacted her when they weren't able to source a replacement phone for her, but this didn't happen.

Miss W called D&G on 13 July 2022 for an update on her claim. She told the advisor that she'd been promised an email update by 5pm on Friday, she didn't receive this, it was now Wednesday, and she still hadn't heard anything. The advisor asked her about her complaint, and she said she just wanted an update on her claim.

Miss W says the advisor was rude to her and I agree that he was. Firstly, he wouldn't speak as he was waiting for her answer about her complaint, then he spoke over her. And when she asked to speak to someone else, he said she'd need to hang up and call back. He made

no attempt to help her or update her on her claim.

She called back and spoke to another advisor who gave her the contact number for the product replacement team and suggested she call them in the morning, as they were currently closed. I can't see any reason why the first advisor Miss W spoke to couldn't have provided this information.

When D&G provided their final response to Miss W's claim they upheld her complaint and offered a refund of one month's premium, which was £19, for the delays and the unprofessional manner in which their agent dealt with her call.

I understand that part of the delay in this case was that D&G's suppliers didn't have the replacement phone she needed in stock. But she wasn't kept updated, as D&G have acknowledged she should have been, she had to chase before any progress was made and the call on 13 July 2022 was handled very poorly.

D&G made it clear in their conversation with Miss W on 29 June 2022 that the refund of her policy excess was compensation for delays up to that date. So they've offered her £19 for the further delays, the lack of communication and the unprofessional call on 13 July 2022.

I don't think this properly compensates Miss W. It's clear that she's suffered distress and inconvenience as a result of how her claim has been handled by D&G and I think the appropriate level of compensation is £150. This is in addition to the £94 D&G have already refunded.

So my provisional decision was that I upheld Miss W's complaint.

D&G have responded to my provisional decision saying that they think nearly £250 for a mobile theft claim lasting 19 days is excessive, but if that is my decision they accept it.

Miss W hasn't responded to my provisional decision.

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 my provisional decision I set out details of the £94 compensation D&G had offered Miss W. £75 of this was for delays up until 29 June 2022. After this date there were further delays, the unprofessional call on 13 July 2022 and there was a lack of communication throughout the claim, which D&G have acknowledged. D&G only offered Miss W a further £19 compensation for this. Which I've said I don't think properly compensates Miss W for the distress and inconvenience she suffered.

While I've considered what D&G have said I still think that the compensation D&G have offered doesn't take into account the distress and inconvenience Miss W experienced as a result of how they handled her claim. And taking into account the ongoing delays after 29 June 2022, the lack of updates throughout her claim and D&G's handling of the call on 13 July 2022 my opinion remains that they should pay her a further £150.

My final decision

For the reasons set out above, and in my provisional decision, my final decision is that I uphold Miss W's complaint about Domestic & General Insurance Plc.

And to put things right I require them to pay her £150 for the distress and inconvenience she's experienced as a result of their poor handling of her claim. This is in addition to the £94 they've already offered her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 6 January 2023.

Patricia O'Leary
Ombudsman