

The complaint

Mrs D is unhappy about damage caused to her floor by an engineer during a washing machine repair. Mrs D has breakdown cover for her washing machine under a household warranty provided by Domestic & General Insurance Plc.

What happened

Mrs D made a claim for the repair of her washing machine. Unfortunately, it took more than one visit to repair the machine. During one of those visits Mrs D said the engineer damaged her floor while moving the washing machine. Mrs D made a further claim for this damage to D&G.

D&G declined to deal with this claim. It said the damage was caused by the contractor who had separate public liability cover and Mrs D should claim directly from the engineer. It said the warranty was clear on this and that damage caused by the engineer wasn't covered as D&G insisted all third party engineers had to arrange individual public liability cover.

D&G said after it told Mrs D, she had to claim directly from the engineer she did make a direct claim to the engineer's company. D&G said Mrs D should wait until this has been resolved before coming back to D&G. D&G said if there's a problem and the other company doesn't settle the damage claim then Mrs D could go back to D&G for further consideration.

Mrs D didn't accept this. She said D&G should be dealing with this as she is insured by D&G and her policy is with D&G. She said as she'd made her claim with D&G originally it was its responsibility to deal with the matter. As D&G didn't resolve it Mrs D brought her complaint to this service.

Our investigator didn't uphold the complaint. He said D&G had acted fairly. Our investigator said if the engineer's company didn't resolve the matter, he'd expect D&G to address the situation again at that point.

Mrs D didn't accept this and asked for her complaint to be passed to an ombudsman for a final decision.

In my recent provisional decision, I said:

"I do understand the point D&G is trying to make. Mrs D can't have a successful claim against both the engineering company and against D&G for the same claim - the damage to her floor. And I think it's a fair point. But I think D&G are rather missing the point Mrs D has made.

Mrs D doesn't think that she should have to contact the engineering company. Mrs D took out a warranty with D&G. Mrs D contacted D&G when she needed to make a claim. So, now that something has gone wrong Mrs D thinks D&G should deal with that. From her point of view, I think that's a perfectly understandable position.

D&G said the policy excludes these claims and Mrs D has to go to the engineer directly. D&G said it wasn't responsible and the exclusion under the policy said, "unless it is our fault". I don't think that's fair or reasonable. I don't think that is the sort of response a customer would expect.

I think Mrs D is correct when she expects her insurer D&G to deal with damage caused by someone representing it in her home. D&G appointed the engineer and so D&G are responsible for the actions of the engineer. So, I think a fair and reasonable approach is for D&G to accept that someone it sends to deal with a repair is its responsibility. The fault belongs to D&G to deal with. I don't think Mrs D would have bought the policy if D&G told her if something goes wrong with an engineer D&G won't be responsible and she wouldn't be able to claim under this policy.

Although I take on board that Mrs D can't claim twice, I think this can be resolved by D&G stepping in and dealing with the claim damage. If D&G wishes it can contact the engineer's company and claim back any costs from its representatives that way. In effect it could take over the claim Mrs D has already started with the engineer's company after it (D&G) has resolved Mrs D's issues directly.

I can't make a finding on whether the engineer caused the damage at this point. I can only direct D&G to consider Mrs D's claim."

Responses to my provisional decision

D&G responded. Its main points were:

The terms and conditions make it clear all "damage disputes do need to be addressed with the Repair Agents directly. The claims process is a personal one and a claim's form needs to be issued to the customer to start the process."

D&G does accept it can help claims progress by speaking to the Repair Agents to ensure things are done in a timely manner.

D&G claims it has an agreed approach with this service in such circumstances. It now oversees an end-to-end process.

Mrs D hasn't completed a claim form for the Repair Agent. Mrs D can send the claim form via D&G if she'd prefer to. D&G say Mrs D has now agreed to complete it.

D&G will ask the Repair Agent to make contact with Mrs D to start the process.

D&G will only settle a claim if the Repair Agent has rejected it. And D&G feel the wrong decision has been made.

Mrs D didn't respond to the 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.

D&G refers to other organisations that it arranges to carry out work on its behalf as "*Repair Agents*". But as I said in my provisional decision, I think Mrs D asking D&G, as her insurer, to deal with issues caused by a claim under her D&G warranty is fair and reasonable. Mrs D

bought her warranty from D&G, made a claim to D&G, and expects D&G to deal with it for her.

D&G telling a customer that Repair Agents have their own insurance and that customers can't claim from D&G isn't fair and reasonable. And I don't think it's what customers like Mrs D are buying when they take out the warranty.

Asking a customer to complete a claim form is understandable and D&G are perfectly entitled to do that. So, I accept Mrs D should complete the paperwork and she should send it to D&G to deal with.

D&G suggests it has some agreement with this service over its approach. I'm afraid that's not the case - D&G is mistaken. This service deal with each individual complaint brought to it by individual customers like Mrs D. And all cases this service deals with are done strictly on the merits of each individual case.

I think anyone appointed by D&G to repair, remove or replace an item for a customer is acting as D&G's agent. Such organisations or individuals are helping D&G fulfil the terms and conditions of the warranty. So, I think in such circumstances D&G is responsible for the actions undertaken - in this case by the engineer. D&G should take responsibility and directly handle Mrs D's claim.

I think it is D&G's responsibility to consider the claim itself and not to leave it to the Repair Agent.

Putting things right

- consider the damage caused by its representative directly with Mrs D.

My final decision

I uphold this complaint.

I require Domestic & General Insurance Plc to:

- consider the damage caused by its representative directly with Mrs D.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 28 February 2023.

John Quinlan
Ombudsman