

The complaint

Mr A has complained about the poor service he received when he made a claim for a damaged washing machine under a warranty protection plan with Domestic & General Insurance Plc. He wants a full refund of the premiums he has paid since 2019.

What happened

Mr A reported a fault with a washing machine to D&G in February 2023. D&G had difficulty obtaining an engineer to attend. Mr A was very unhappy with having to call an engineer to arrange an appointment without success. A week later he cancelled his Direct Debit Instruction and complained to D&G.

D&G didn't uphold Mr A's complaint. It said as he had cancelled his Direct Debit, it could no longer help him in arranging for an engineer to look at the washing machine.

Mr A asked us to look at his complaint. D&G subsequently made an offer to Mr A as it said it should have explained that due to his remote location, Mr A could have arranged for an engineer to attend. Mr A would have needed to pay the engineer, but D&G would have reimbursed him for the repair costs. D&G said it failed to explain this option to Mr A.

To resolve things, D&G offered to refund Mr A a year's premium which came to £82.20.

Mr A rejected D&G's offer. He said it offered cover for two appliances but when he made a claim it failed to provide what the plan was designed for and he wants a full refund of the premium he'd paid since 2019.

Our Investigator issued his view. He explained that the 'pay and claim' option under D&G's plan wasn't unusual as there were times when it wouldn't always be able to provide an engineer. This option meant a customer was still able to arrange repairs or replacement under the plan. He said that if Mr A had paid for either repairs to the washing machine or a replacement, then subject to reasonable proof, D&G should reimburse him for the costs in line with the plan. If not, Mr and Mrs A should be able to make a 'pay and claim' claim. He thought the offer to provide a refund of one year's premium was fair as compensation for the distress and inconvenience its poor service had caused.

Mr A didn't agree. In summary he said he has paid over £500 to D&G for cover for two appliances which - when he made a claim - it failed to assist him. So he wants a full refund.

So the case has been passed to me to decide.

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.

This service hasn't been set up to take the side of aggrieved consumers as Mr A has said in his email dated 12 September 2023. My role is to take an even handed approach to the information provided by both the customer and the insurer in each case.

Mr A's plan with D&G provides cover for repair or replacement. There's no dispute that D&G failed to provide a reasonable standard of service when Mr A reported a fault with his washing machine. D&G should have promptly provided Mr A with the option to arrange an engineer due to the difficulty at the time in arranging for an engineer to attend. It doesn't mean that D&G would never be able to instruct an engineer for Mr A - but it was the case when Mr A needed an engineer in February 2023.

When this happens, D&G should have explained to Mr A that he could appoint his own engineer and reclaim the costs under the plan. D&G's plan says:

"If we authorise a repair but are unable to find an engineer, we'll permit you to use your chosen engineer. You will have to pay them and claim the costs back from us.

Please keep a copy of your invoice to send to us."

But D&G failed to explain this to Mr A and didn't uphold his complaint which I think was unreasonable. So I think D&G needs to put Mr A back in the position he would have been had it acted within the terms of the plan. This means if Mr A has arranged for repairs or a replacement of the washing machine, D&G should reimburse him for the reasonable costs of doing so. If not, Mr and Mrs A can appoint an engineer under the 'pay and claim' option for repair.

I think D&G should pay compensation to Mr A for the distress and inconvenience it caused him. It's offer of a year's premium at £82.21 is within the range of reasonable and so I'm not asking D&G to pay any more. As I've said, although D&G wasn't able to provide an engineer at the time of Mr A's claim, it doesn't necessarily follow that would have been the case before - or after. So I don't think D&G owes Mr A a full refund of premiums since 2019.

My final decision

For the reasons I've given above, my final decision is that I uphold this complaint. I require Domestic & General Insurance Plc to do the following:

- Reimburse Mr A for any reasonable costs subject to proof that he has paid for repairs or replacement of the washing machine.
- If not, Mr A can appoint an engineer in line with the option available for repairs under 'pay and claim'.
- Pay Mr A £82.21 equivalent to a year's premium as compensation for the distress and inconvenience caused by D&G's poor service.
- Domestic & General Insurance Plc must pay the compensation within 28 days of the date on which we tell it Mr and Mrs A accept my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A and Mr A to accept or reject my decision before 4 December 2023.

Geraldine Newbold
Ombudsman