

The complaint

Mr S complains that Domestic & General Insurance Plc (D&G) has provided poor service when handling a claim he made for a faulty TV.

What happened

Mr S has several policies with D&G that provided repair or replacement services for various items he owns.

In early 2023 he made two claims – one for a cooker that had stopped working and the second for a faulty TV. D&G agreed to settle both claims.

The claim for the cooker is not part of this complaint, but for information that was eventually settled and Mr S received £192 compensation for the time he was without the cooker.

With regard to the TV, this is a summary of what happened. The TV was written off and Mr S chose a replacement. The replacement was delivered but without a stand. Mr S asked that it be taken away and paid £48 for the courier to do that. He contacted D&G who eventually agreed to refund the £48. Mr S kept contacting D&G saying that the £48 hadn't been returned, and it took some weeks to sort that out.

In the meantime Mr S was trying to choose a different replacement TV. He asked to be given details of ones where he would need to contribute towards the replacement cost and chose one where he was required to pay £300. D&G sent a link for the site where Mr S could order the TV but he didn't receive it. When he received it the next day his contribution had increased to £320, which D&G said was because it was a "live" link and that prices changed all the time. Mr S paid the £320 but complained that this wasn't fair. D&G agreed to refund the £20, and that was done.

The second replacement TV was faulty and was returned. Mr S complained again and also looked at other TVs he could have. He says he chose one which D&G said didn't require him to make a contribution. When he again contacted D&G he asked the agent to confirm it would honour the promise it had made.

D&G said it couldn't find any recording that said that, and that the model of TV Mr S chose required a substantial contribution. Mr S insisted D&G honour its promise not to charge an additional fee but it won't do that. D&G says it refunded the outstanding £300 but Mr S says it hasn't been paid into his account.

Mr S made several complaints, and D&G agreed to pay compensation for the way it had handled his claim. It also paid £40 compensation for the delay in repaying the £48, and £20 in regard to one particular call Mr S complained about, where he said the agent was rude and he was cut off. D&G says it is still willing to replace Mr S's TV in line with the terms and conditions of his policy but if there's an additional fee to pay he must pay it.

Mr S doesn't think that's fair. When he initially asked us to review his complaint he said he wanted his £320 back, a specific model of TV as a replacement with no upgrade cost, £50

towards his phone call costs and £300 compensation. He later said he thought the compensation should be £800.

Our investigator didn't think D&G had handled this claim well. He said that both the £48 and the £320 had been refunded according to D&G's records and that it was most likely that the £300 had been sent to a credit card account rather than Mr S's bank account. Mr S hasn't provided any copies of his card account statements, so the investigator said he couldn't conclude the money hadn't been returned. He thought £300 compensation fairly reflected the inconvenience Mr S had suffered. He asked Mr S to provide details of his phone costs, but Mr S didn't want to do this. However, D&G made an offer towards these without evidence. It objected to paying more than £100 to include compensation and phone costs, saying it had already compensated Mr S previously.

Mr S subsequently said he'd settle for a payment of £1000 to cover everything – including the cost of a replacement TV. D&G didn't respond when we passed that suggestion on.

I've been asked to decide this complaint.

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.

I'm not going to mention everything that's happened in this complaint, as the background is well known to both parties. If I don't comment on any particular point, it doesn't mean I haven't considered it – instead I've concentrated on the main issues.

I'm going to uphold this complaint and ask D&G to pay the compensation our investigator recommended. I'm not going to ask it to pay the increased compensation Mr S wants. I'll explain how I've reached my conclusion.

I've listened to many phone calls made by Mr S to D&G – about 30 in total. A few of those were about Mr S's other claim – the one for the cooker – but the majority were about the TV.

In many of those calls Mr S was passed from one department to another without successfully sorting his issues. In some the agent from D&G was confrontational and in several he was told he'd have to arrange replacement items himself. In particular D&G agents were unhelpful when he was trying to get his £48 back – no-one was prepared to look further into D&G's records to check that the money had been sent to the correct account as Mr S requested.

I must say that Mr S was persistent and on one or two occasions clearly lost patience and used inappropriate language. Given the number of calls he made without seeming to make any progress this is understandable, but it won't have helped his relationship with D&G.

One of the points Mr S is focussed on is that an agent promised him he could have a particular TV without paying any upgrade fee, but when he next contacted D&G it was only available with a substantial fee. I've listened carefully to the calls about this. There was a call where Mr S was told one TV was available with no extra fee – but it's not the one he's mentioned in his complaint. The particular TV he mentions was always quoted as having an upgrade fee. Even if D&G had said – in a call I haven't been able to listen to – that the TV was available with no fee it doesn't mean I would ask D&G to honour such an offer. The TV in question was discussed several times, always with an upgrade fee.

I think it's most likely that any offer to provide that particular model *without* a fee was a

mistake. We normally say that if a business makes a mistake then it should put a customer in the position they'd have been in if the mistake hadn't happened. In this case, that would mean Mr S would have known there was a substantial fee to pay all along. The effect of the mistake was to lead Mr S to believe he could have had the TV for less for several days. I do understand he's disappointed by this but I'm not going to ask D&G to provide a more expensive TV simply because an agent might have made a mistake which was rectified a short time later.

Mr S says he hasn't received the £320 back he paid towards a new TV. D&G says it refunded this to Mr S's credit card, not his bank account. As far as I'm aware, Mr S hasn't provided any evidence to say he's not had this refund – so I can't ask D&G to do more about that. I appreciate Mr S was expecting the refund to a bank account, but I can't see that D&G could have made a payment to a card account unless Mr S provided this information. I'd ask Mr S to provide the detail D&G has requested if he wants it looked at again.

Putting things right

D&G doesn't dispute the fact that it should put things right for Mr S. But it says it's already paid him compensation on several occasions and this is sufficient. I can see D&G paid him £40 on 4 April (part of an £88 payment) and £20 on 12 April. It also paid him £100 in late April (part of a £292 payment). I've taken these numbers from statements and final response letters, as in later correspondence D&G seems to be unclear about what it's already paid Mr S as compensation on this claim and its associated complaints.

In total it seems D&G has paid Mr S £160 compensation on the TV claim. I think it is fair for D&G to increase that to £300 – so it should now pay an extra £140. And despite what D&G later said to us, it did offer, in an email to this service, £100 towards Mr S's phone costs without sight of evidence. I think that's reasonable given the number of calls he's made. And I also think D&G should add interest at 8% per annum to this to reflect the time Mr S has been out of pocket. I think 5 May (the date of the final response letter acknowledging mistakes) is an appropriate start date for this, and the interest must be paid to the date the £100 is paid. D&G may be required to deduct tax from the interest payment by HMRC. If it does, it should provide Mr S with a certificate confirming the tax deducted. For clarity, the £140 extra compensation will not attract interest as Mr S hasn't been out of pocket for this amount.

I understand Mr S has not yet received a replacement TV. D&G should deal with this as soon as possible. If Mr S chooses a cash settlement then D&G need only send him the amount it would pay to replace the TV with one of a similar specification. That might be less than Mr S will pay as a consumer.

If D&G wants to settle the claim at the £1,000 Mr S has suggested it could do that, but I can't instruct it to do that here. If it does choose to do that, the £1,000 would include the TV, call costs and interest and the additional compensation.

My final decision

My decision is that I uphold this complaint and require Domestic & General Insurance Plc to pay Mr S the compensation outlined above, with interest where appropriate, and settle the remainder of the claim in line with the policy terms and conditions..

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 6 December 2023.

Susan Peters
Ombudsman