

## **The complaint**

Mr W complains about the way that Domestic & General Insurance Plc (D&G) handled a theft claim he made on a jewellery and watch insurance policy.

## **What happened**

The circumstances of this complaint are well-known to both parties. So I've simply set out a summary of what I think are the key events.

In 2022, Mr W took out a jewellery and watch insurance policy which was underwritten by D&G. Claims under the policy are handled by a jewellery store chain, which acts as D&G's agent. The policy terms say that claims must be made in one of the jewellery chain's branches.

Unfortunately, in September 2023, Mr W's watch was stolen. He says that as his local branch of the jewellery chain had closed down, he called another branch. But he says he was told this branch couldn't register claims. So he says he was directed to travel to a branch some miles away, which required a three-hour round trip. When he arrived at the branch, he was told that his claim wasn't covered by the policy terms.

Mr W was unhappy with the way his claim had been handled. He thought he should have been told upfront that his claim wouldn't be paid. He said that if he had been, he wouldn't have travelled to a branch some distance from his home. He felt he'd incurred unnecessary fuel costs and had been put to time and trouble. So he asked us to look into his complaint.

Our investigator acknowledged that D&G itself didn't get involved in the claims process unless a claim had been accepted by the jewellery chain - its agent. But he felt D&G was responsible for its agents actions.

He looked at the regulator's rules, which required insurers to provide policyholders with reasonable guidance to help them make a claim. He noted that Mr W could have been directed to a branch which was significantly closer to his home.

He thought that if the jewellery chain had told Mr W to go to the closer store, he'd likely have incurred less costs and been put to less inconvenience. So he didn't think Mr W had been given reasonable guidance to help him make a claim and had been caused trouble and upset as a result. He recommended that D&G should pay Mr W £100 compensation.

Mr W accepted the investigator's recommendations. But D&G did not and so the complaint's 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.

Having done so, I think the fair and reasonable outcome to this complaint is for D&G to pay Mr W £100 compensation and I'll explain why.

First, I'd like to reassure both parties that whilst I've summarised the background to this complaint and their submissions to us, I've carefully thought about all they've said and sent. In this decision though, I haven't commented on each point that's been made and I'm not required to under our rules. So I've focused on what I think are the key issues.

It's important too that I explain that Mr W hasn't asked us to decide whether it was fair for D&G to turn down his claim. His complaint was about the service he received and the way his claim was handled. So in this decision, I haven't looked into whether or not it was reasonable for D&G to decline the claim. I've only considered whether the claim was handled fairly.

### **Customer Service**

The relevant regulator's rules say that insurers must handle claims promptly and fairly. They also say that insurers must give policyholders reasonable guidance to help them make a claim. And the regulator's principles say that a firm must pay due regard to the interests of its customers and treat them fairly. So I've taken these rules into account, amongst other things, when deciding whether I think D&G treated Mr W fairly.

It's clear that in this case, D&G doesn't handle jewellery claims directly. The jewellery chain handles and decides claims on its behalf. But this doesn't mean that D&G isn't responsible for anything that happens during the claims process. Instead, like the investigator, I agree that D&G is generally responsible for the actions of the jewellery chain when it looks into and decides claims on D&G's behalf.

### **Policy Terms and Conditions**

I've carefully considered the policy terms and conditions, as these set out the terms of the contract between Mr W and D&G. Page four of both Mr W's plan details and the specific cover leaflet explain how to make a claim. The documents say:

*'Please comply with the following procedures to obtain claim authorisation with the minimum delay.'*

- 1. Contact the appropriate police authorities as soon as possible, requesting a crime reference number.*
- 2. Attend in person to any (name of jewellery chain) store as soon as possible and within 30 days of you becoming aware of the incident or of your return from abroad, with your crime reference number, this leaflet and the receipt(s) for both your policy and your product.'*

I've borne in mind that Mr W does appear to have been given a copy of the policy documents. And the policy terms indicate that a policyholder can visit any branch of the particular jewellery store to make a claim.

### **The need to make a claim**

However, it's also clear that Mr W contacted D&G to make a claim and so it seems he wanted some guidance as to the best way to make a claim and move things along. That might have been because his local branch of the jewellery chain had closed down.

As the 'expert' in this situation, I'd have reasonably expected D&G and its agents to give Mr W clear and reasonable guidance about what he'd need to do next. I've noted that D&G's records also indicated that it was aware that Mr W had 'vulnerabilities', so I think it ought to have been aware that it was even more important that Mr W was given clear and correct

information.

### **Mr W's call with the jewellery chain**

It's unfortunate that D&G hasn't been able to obtain a copy of the call between Mr W and the jewellery chain, although it did provide us with a copy of a call Mr W made to it, which was transferred to the jewellery chain. So I can't listen to exactly what was said by D&G's agent. But Mr W has consistently told us that he was directed to a branch around 75 miles from his home and so he travelled there to make a claim.

However, it seems from my own research that there was a branch of the jewellery chain around 30 miles from Mr W's home. This would have substantially reduced Mr W's journey time and put him to substantially less time and trouble. I think it would have been reasonable for D&G's agent to suggest Mr W travelled to that branch to make his claim. While D&G has speculated on why that didn't happen, no clear or persuasive explanation has been given.

### **Advice provided to Mr W**

In my view, had Mr W been directed to that branch, I think, on balance, he'd have chosen to drive there instead. And given the information Mr W gave D&G about the circumstances of his claim, I too think it's most likely that he'd have given the jewellery chain a similar version of events when he spoke with it. I think therefore that D&G's agent was likely in a position to manage Mr W's expectations as to whether it thought a claim was likely to be successful.

### **D&G's responsibility to handle the claim fairly**

Overall then, I don't find that D&G met its responsibilities to handle the claim fairly or to provide Mr W with reasonable guidance to help him make a claim. I think this led to Mr W suffering material distress and inconvenience, as I'm persuaded that but for D&G's agent's information, he'd likely have travelled to a branch significantly closer to home- if at all.

I also think that his disappointment when learning the claim wasn't going to be paid would have been less had his expectations been managed. Therefore, I agree with our investigator that compensation of £100 is fair and reasonable to reflect the impact of D&G's service failings on Mr W.

### **My final decision**

For the reasons I've given above, my final decision is that Domestic & General Insurance Plc must pay Mr W £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 20 February 2024.

Lisa Barham  
**Ombudsman**