

The complaint

Mr H complains that Domestic & General Insurance Plc (“D&G”) unfairly charged him an upgrade fee to replace his tv, under his home appliance insurance policy.

What happened

Mr H says his tv developed a fault. He made a claim to D&G. After which it told him his tv was a write-off. Mr H says he wasn’t offered a comparable tv as a replacement. This meant he had to put £1,100 towards the tv he wanted. In addition, Mr H says a five-year guarantee was being offered by the retailer. But he didn’t receive this. Mr H would like a refund and the full five-year guarantee for his tv.

In its final complaint response D&G says it offered a suitable replacement for Mr H’s tv in line with its policy terms. It says he opted for a far superior model, which is why there was an upgrade fee. D&G says the five-year promotional warranty was only available to direct customers of the retailer. As Mr H obtained his replacement tv through D&G he received the standard manufacturer’s warranty.

Mr H didn’t think D&G had treated him fairly and referred the matter to our service. Our investigator didn’t uphold his complaint. He says D&G offered a suitable replacement in line with the terms of Mr H’s policy. He didn’t think it was unreasonable for an upgrade charge to apply in these circumstances. Our investigator also didn’t think that Mr H was due a 5-year warranty. He says D&G had explained this was offered to direct retail customers and not insurance replacements.

Mr H didn’t accept our investigator’s findings and asked for an ombudsman to consider his 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.

Having done so I’m not upholding Mr H’s complaint. Let me explain.

There’s no dispute that Mr H’s original tv couldn’t be repaired or replaced with a like-for-like model. The plasma tv Mr H had is no longer manufactured and this type of technology has since been replaced. His policy terms says:

“In some situations we will arrange to replace your product instead of repairing it (for example where we cannot repair it or we decide that it is uneconomical for us to repair your product). In these circumstances, we will arrange to replace your product with one of a same or similar make and technical specification.”

I’ve looked at the tv D&G thought was a suitable replacement. It has the same size screen and is LED as opposed to plasma, which is newer technology. I can see that the proposed replacement had significantly better screen resolution than Mr H’s old tv and the same

refresh rate. Based on this information D&G's proposed replacement seems fair and in line with what its policy terms say.

I understand Mr H's argument that he paid a lot of money for his tv around 15 years ago. He says it was high quality for the time, which I don't dispute. He says D&G's replacement should be a tv of equivalent quality. This should account for the technological improvements over the past 15 years. I've thought carefully about what Mr H says. But I don't agree with him. His policy terms determine the cover he has in place. The terms don't provide for the replacement Mr H wanted.

The replacement D&G offered includes improved technology with better screen resolution. It's the same size as the tv it was to replace. The tv Mr H chose is much larger with a much faster refresh rate. So, I think D&G's offer was fair and in line with its policy terms. I don't think it treated Mr H unfairly when it required an upgrade fee to supply him with the tv he wanted.

I've thought about Mr H's view that he should receive a five-year guarantee. But D&G has provided a reasonable explanation as to why he didn't. The five year guarantee was for customer's purchasing direct from the retailer. Whereas D&G supplied the tv to Mr H here, and this came with the manufacturer's guarantee. I can understand why he's disappointed. But I can't see that D&G is required to provide a five year guarantee.

Having considered all of this I don't think D&G treated Mr H unfairly in dealing with his claim in the way that it did. So, I can't reasonably ask it to do anymore.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 28 November 2024.

Mike Waldron
Ombudsman