

## **The complaint**

Ms M is a sole trader. She complains that Domestic & General Insurance Plc (D&G) unfairly declined a claim for her faulty television under her Appliance Insurance.

## **What happened**

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

In September 2018, Ms M purchased a new television for her holiday home which she lets out to guests. She also took out Appliance Insurance underwritten by D&G to cover the television. On 27 March 2024, Ms M contacted D&G to make a claim for the television after guest at her holiday home reported it faulty.

D&G said an engineer would come out to the property to inspect the television on 2 April 2024. Ms M explained she was unable to wait until then for an inspection. She said the guest at her holiday home were due to leave soon, and the new guests arriving required a working television.

D&G agreed for Ms M to arrange her own inspection by an independent third party to determine the fault.

D&G said it informed Ms M that it would require a copy of the inspection report and invoice for any reimbursement under the policy; and that the repair limit was £200. It said that it also explained that if the television was unrepairable, it would again need the inspection report to authorise the claim and would arrange for a replacement.

Following an inspection by a third party, who I'll refer to as D, Ms M contacted D&G. She queried if she could replace the television as D confirmed it was unrepairable. D&G said that it couldn't authorise the claim without having sight of the report and invoice. D&G asked Ms M to forward these on for further consideration. Ms M was unhappy that D&G couldn't sort this out on the same day.

Following her conversation with D&G on 27 March 2024, Ms M arranged for D to replace her television later that day.

On 8 April 2024, Ms M contacted D&G and said that she had replaced the television and would like to be reimbursed. Ms M provided a letter from D which said the television was unrepairable and uneconomical to repair. The letter also noted that the television was faulty due to the back lights failing.

D&G declined Ms M's claim on the basis that she hadn't provided an inspection report prior to replacing the television, and it hadn't approved the replacement.

Ms M is unhappy that D&G won't indemnify her. She said D&G told her that she could replace the television and it would reimburse her when she sent in the report and receipt. Ms M requested that D&G either pay her claim or refund the premium she paid until

4 June 2024, the date she cancelled her policy.

Our Investigator considered the case, but he didn't think D&G had acted unfairly. He said the policy term was clear that D&G would provide a replacement if it decided the television was unrepairable or uneconomical to repair. He wasn't satisfied that Ms M provided sufficient evidence that the television was uneconomical to repair. And he said that in any event, Ms M replaced the television before providing any evidence to D&G for consideration. He was therefore satisfied that D&G acted reasonably in declining Ms M's claim.

### **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.

Both parties have provided detailed submissions to support their position. I want to assure them I've read and carefully considered everything they've said, but I won't comment on everything.

The crux of this complaint centres on D&G's decision to reject Ms M's claim. The relevant rules and industry guidance say that D&G has a responsibility to handle the claims promptly and fairly and it shouldn't reject a claim unreasonably. I have to decide if I think D&G has applied the terms of the policy in a fair and reasonable manner when declining Ms M's claim. Having reviewed everything available to me, I think it did. I'll explain why.

The terms most relevant to the claim Ms M wants to make say:

#### **“Breakdown (after the manufacturer's guarantee)**

We all rely on our appliances and being without them can be an inconvenience. So, if your product suffers a mechanical or electrical breakdown after the manufacturer's parts and labour guarantee period we will (at our option) authorise a repair, arrange a replacement or pay the cost of a replacement product.”

#### **“Replacements**

1. 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.
2. If we cannot arrange a replacement, we will give you vouchers instead. The vouchers will be for the full retail price (from a retailer chosen by us) of a replacement product of the same or similar make and technical specification...”

I am satisfied by these policy terms that ultimately it is D&G's decision to either repair or replace the faulty item. And when thinking about this, it will take into consideration whether the item is repairable or economical to do so.

In this case, D&G agreed for Ms M to arrange her own inspection because it couldn't get an engineer out to inspect the television for six days. D&G did however request an inspection report in order to authorise the claim. In the circumstances, I think this was reasonable.

After the inspection by D on 27 March 2024, Ms M asked D&G about arranging a replacement but had no inspection report at the time.

After speaking with D&G on 27 March 2024, Ms M had D replace her television the same day. She said D&G told her she could arrange a replacement and then send in the report for reimbursement. I have listened to the calls in question, and I'm not persuaded that D&G led

Ms M to believe that this was an option under the claims process. I'm satisfied that D&G was clear in informing Ms M that upon receiving the inspection report, it will make a decision on whether to arrange a repair or replacement. And a replacement would be arranged by one of D&G's suppliers.

I understand Ms M was unhappy that D&G couldn't confirm on the call if it could replace the television for the same make and model. However, it's reasonable for D&G to require evidence that the television was uneconomical to repair before taking further action. While I understand Ms M wanted clarity on whether to replace the television herself or wait for D&G, I find D&G's handling of the claim reasonable.

I also note that the inspection report provided by Ms M doesn't specify any detail beyond a statement stating that the television was faulty due to the back lights failing. There is no information on what type of investigation was carried out or why D deemed it to be unrepairable or uneconomical to repair. I'm therefore satisfied that it was reasonable for D&G to find that this statement wasn't sufficient evidence to demonstrate that the television was unrepairable or uneconomical to repair.

While I understand the urgency of replacing the television for Ms M, she failed to provide an inspection report prior to arranging the replacement to demonstrate that the television was uneconomical to repair. And the replacement wasn't authorised by D&G either. In the circumstances, I find D&G's refusal to indemnify the claim reasonable and do not require it to take any further action.

I note that Ms M has also told the Ombudsman Service that she is unhappy with the service provided by D&G. As explained by the Investigator, Ms M would need to raise this with D&G in the first instance before the Ombudsman Service can look into this part of Ms M's complaint. I therefore haven't considered this part of the complaint.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 28 January 2025.

Ankita Patel  
**Ombudsman**