

The complaint

Miss M has complained that her electric appliance insurer, Domestic & General Insurance Plc ('D&G'), refused to compensate her after her new dishwasher was damaged during its installation.

What happened

I issued a provisional decision on this complaint last month where I said I was not considering upholding it. An extract from that decision follows:

"Miss M took out an electric appliance policy with D&G in November 2022 which was due to start the following month. On 13 December 2022 Miss M said that her dishwasher stopped working so D&G arranged for it to be inspected. The dishwasher was deemed to be beyond economic repair, so D&G arranged for a new dishwasher to be provided through an independent supplier. Delivery was arranged for January 2023. In the meantime, D&G collected £90 from Miss M for the cost of the installation and £14.99 for the cost of removal. D&G said the supplier made its own arrangements for the dishwasher to be installed.

On the day of the appointment, Miss M complained to the supplier and to D&G and said that those installing the dishwasher damaged her kitchen in the process and also broke the new dishwasher by letting it run for several hours without removing the safety tapes from inside.

The supplier accepted responsibility for the damage, but Miss M said it hasn't offered her enough compensation to cover all the damage it caused. Miss M said she wanted D&G to compensate her for the time she has been without a dishwasher and for the damage to her kitchen as well as provide her with a new dishwasher. She said D&G was responsible for these losses as it was the one who arranged for the new dishwasher to be provided.

D&G's initial response was to refund Miss M's installation fee as a goodwill gesture. It said it had spoken to the supplier who took responsibility for the issues with the installation and confirmed that the installation was provided as part of its delivery service. D&G issued a further response and said that the installation was carried out by a third party and the damage resulted from its negligence. It said it wasn't responsible for this and as the supplier had accepted responsibility, Miss M would have to claim compensation from them.

Miss M didn't agree. She said that her contract was with D&G and that it was responsible for the actions of the supplier as it was its subcontractor.

Miss M brought her complaint to our organisation more than six months after D&G's final response letter, nevertheless, D&G consented to us looking into it out of time.

In her complaint about D&G, Miss M said that she wanted it to apologise, to take responsibility and to compensate her for the damage to her property. Miss M said she is disabled and that she suffers from severe and debilitating medical conditions both physical and mental. She said her health has deteriorated since the incident.

D&G said that the installation was arranged by the supplier who employs the installers and delivery companies. It added that its terms exclude damage during delivery, installation or transportation of the product by a third party who is not under its instruction. It said it tried to assist Miss M with this matter but the supplier is the correct party to deal with in relation to this issue.

One of our investigators reviewed the complaint but didn't think D&G needed to take further action. She acknowledged that things had gone wrong, and that Miss M had been severely impacted by what happened, but this was outside D&G's control as it wasn't responsible for the installation.

Miss M didn't agree and asked for an ombudsman's decision. She said that under her policy with D&G she is entitled to daily compensation for being without a working appliance. She said she is yet to be provided with a replacement dishwasher or receive compensation for the damage to her kitchen. She said the damage should also be covered under the accidental damage section of her policy. She added that our organisation prevented her from directly complaining to the supplier.

Our investigator explained we could only look at a complaint against D&G as it is a regulated financial business and falls within our jurisdiction whereas the supplier does not. Our investigator didn't change her view and said that D&G's responsibility ended when it provided a new appliance.

Miss M said that D&G failed in its contractual responsibilities to her as the warranty provider and that the supplier's negligence, who is its subcontractor, doesn't absolve it from its responsibilities. She added that she wanted D&G to consider her claim in line with the Equality Act 2010 ('the Act') and make reasonable adjustments such as providing her with direct compensation, a stress-free resolution and arranging controlled home visits- preferably virtual ones where adequate notice is provided.

The matter was then passed to me to decide.

What I've provisionally 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'd like to start by saying that I was very sorry to hear about Miss M's experience with the installation of her dishwasher and the toll this has taken on her health. As our investigator said there is no doubt that things have gone wrong but, for the reasons I provide below, I don't think this is something D&G should compensate her for.

The policy

Miss M's policy includes cover in the event her dishwasher breaks down or suffers accidental damage. Under the policy, D&G will arrange for repairs to be carried out or for the appliance to be replaced. It can decide to replace a product if, for example, it is uneconomical to repair. In the event a replacement product is provided, the policy will end immediately with no refund being issued.

The policy states that if a product is replaced, D&G will pay the supplier's delivery charge but will not be responsible for the installation or any related costs.

The policy also excludes damage during delivery, installation or transportation of the product by a party who is not under D&G's instruction.

The replacement

D&G decided that Miss M's dishwasher was beyond economic repair and agreed to replace it. As per the policy terms the policy was cancelled in January 2023, once the successful claim was made.

D&G said that the installation wasn't provided under the terms of the policy. It said it was carried out by the supplier and its employees who have already accepted responsibility for the damage caused to Miss M's property. I appreciate that Miss M believes that the supplier is a subcontractor of D&G's but, from what I have seen, I don't think that was the case in these circumstances. I say this because the policy clearly states that the installation will be the insured's responsibility and not D&G's. Also, D&G collected the installation fee separately from Miss M and if this had been covered under the policy, I don't think there would have been a separate charge for it. Or if there was, this is something that I would have expected to see specified within the policy.

Miss M said D&G should cover the damage to the new dishwasher under the accidental damage section of her policy. As I said above, the policy specifically excludes damage resulting from the installation. Also, the policy states it will end once the replacement device is provided so I don't think it is intended to cover further claims once this has taken place. It follows that I think it is fair and reasonable that D&G didn't cover this further damage under this section.

Miss M said that she is entitled to compensation for the time she has been without a dishwasher. As I said above her policy ended in January 2023 further to a successful claim so Miss M no longer has a live policy with D&G that she can make further claims under. Furthermore, the policy excludes costs or losses arising from not being able to use the appliance or incidental costs caused by breakdown or repair. So, I don't think D&G needs to pay any compensation for Miss M being without a dishwasher.

The service

In her complaint to D&G Miss M said that she was kept on hold for 50 minutes on one occasion before the phone was disconnected. D&G acknowledged this and apologised and I think this was fair and reasonable. I also note that D&G refunded Miss M the £90 installation fee as a goodwill gesture. As I said above, the installation fee was separate to the policy and will have been paid to the supplier who arranged the installation, so I don't think D&G was

responsible for refunding this to Miss M. I also note that it liaised with the supplier before and after Miss M complained and tried to assist Miss M with her complaint. I don't think it had an obligation to do so under the policy and I think its actions when dealing with Miss M's claim and complaint were, on the whole, fair and reasonable.

Reasonable adjustments

I've gone on to consider Miss M's request that D&G puts reasonable adjustments in place for her, in line with its obligations under the Act.

I should firstly explain that it's not our role to say whether a business has acted unlawfully or not or what it needs to do in order to act lawfully – that's a matter for the Courts. Our role is to decide what's fair and reasonable in all the circumstances. In order to decide that, however, we have to take a number of things into account including relevant law, which includes the Act, and what we consider to have been good industry practice at the time. So although it's for the Courts to say whether or not D&G has breached the Act, we're required to take the Act into account, if it's relevant, amongst other things when deciding what is fair and reasonable in the circumstances of the complaint.

Miss M said that D&G should make reasonable adjustments for her including offering her direct compensation, a stress-free resolution and arranging controlled home visits. I can understand that Miss M has been caused a lot of distress by the damage that was caused to her home and by not being able to use her dishwasher. But as I don't think the installation was D&G's responsibility, I don't think it needs to pay Miss M compensation. I am also not aware of any need for D&G to arrange any further visits to Miss M's property but if it does, Miss M can liaise with it about arranging controlled home visits as and when this might be needed in the future. In terms of its dealings with Miss M, I have noted above that it has tried to liaise with the two parties in order to help them reach a resolution and D&G has done so a number of times after the policy ended. And also that it agreed for us to review this complaint out of time. In the circumstances, I think D&G has behaved fairly and reasonably.

I appreciate Miss M will be disappointed with my decision. I can see how distressing and exhausting the process has been for her, but as I explained above, I don't think D&G was the party responsible. The supplier has accepted responsibility for the damage and offered to compensate Miss M. The dispute is now about the amount it pays Miss M and I don't think this involves D&G."

D&G responded and accepted my provisional decision.

Miss M asked me to reconsider my decision as she didn't feel I had sufficiently addressed several issues she had raised including the following:

- That D&G is vicariously liable for the actions and negligence of the supplier who damaged her kitchen and dishwasher because it instructed and collected payment on its behalf.
- That the policy cover includes accidental damage cover.
- The policy was terminated prematurely as no replacement appliance has been provided.

- D&G has unjustifiably not paid her a daily rate for the loss of use of her dishwasher which is something it had done in the past for other claims.
- Our service has issued decisions for similar situations as Miss M's and awarded compensation against D&G.
- D&G breached the responsibilities it has towards her under the Act to handle the claim sensitively, swiftly and without causing additional distress.

Miss M also said that my provisional decision contained factual errors. She clarified that she had continuous cover with D&G for ten years and not only since November 2022 and also that the delivery of the dishwasher was originally planned for before Christmas 2022 but was delayed.

Miss M has added that I failed to refer to substantial evidence she provided to our investigator and also that my provisional findings suggest that I failed to consider it. She asked that I consider all the evidence she provided thoroughly before finalising my decision.

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'd like to start by thanking both parties for their responses. And particularly Miss M for her substantive and courteous response to my provisional decision. I'd also like to reassure her that I have considered all the documents and information that she has provided to us while her complaint has been with us. I may not have referred to every piece of information provided to us or every point raised by the parties in my provisional decision, but instead I have focused on the points I consider to be the most important. No discourtesy is intended by this. We aim for all our decisions to be as concise and to the point as possible.

I have also noted Miss M's point that she has held a policy with D&G for ten years. The current policy started in 2022 but I accept Miss M may have had other cover with D&G before this policy. This doesn't change any of my findings, but I am grateful to Miss M for providing this clarification as well as the clarification about the original delivery date.

As I mentioned in my provisional decision, I don't think D&G is responsible for the actions of the supplier and this is because I don't think the installation was carried out under the terms of Miss M's policy. As I said in my provisional decision the policy states that D&G is not responsible for the installation or any related costs and excludes damage during delivery, installation or transportation of the product by a third party not under D&G's instruction. And as I said I don't think there would have been a separate installation charge if this was being done under the policy terms.

Miss M said her policy came to an end prematurely as she wasn't provided with a functioning replacement appliance. From what I've seen I don't think the appliance that D&G arranged to be sent to Miss M was faulty or defective in any way. It was damaged by the supplier during the installation and the supplier accepts this was the case. So, on balance, I don't think D&G has failed to supply a replacement appliance and it follows that I don't think that it has cancelled the policy prematurely. And as there is no active policy, I also don't think it is

responsible to cover any accidental damage. Furthermore, accidental damage during installation is specifically excluded under the policy.

For the same reasons I don't think D&G is responsible for paying Miss M a daily rate for the fact that she hasn't been able to use the dishwasher. And as I said in my provisional decision the policy excludes costs or losses arising from not being able to use the appliance. I also don't think D&G caused any delays in dealing with her claim. From what I've seen, the claim was accepted without delay and D&G decided to offer a replacement as soon as possible. Miss M said the delivery was delayed as a specific installer had to be booked for the particular dishwasher, but I think this was, most likely, down to the supplier not D&G.

I have also considered the three ombudsman decisions Miss M provided which were issued by our service regarding other complaints involving D&G. I should explain that our organisation's decisions do not form a precedent, so we are not bound to follow previous decisions. Our decisions are based on the specific circumstances of individual complaints and each complaint is decided on its own merits. The decisions Miss M referred me to involved unjustifiable delays by D&G which I didn't think was the case here. One of the decisions also involved an appliance which D&G arranged to be repaired which is something that would have been undertaken under the policy terms and where D&G would have most likely instructed its own repairer. This wasn't the case here. For these reasons, I decided not to depart from the findings I made in my provisional decision.

I have already addressed Miss M's point regarding the Act in my provisional decision where I explained that it is not the role of this service to decide whether D&G has breached the Act. But we can decide whether it has acted fairly and reasonably and, in the circumstances, I think it has for reasons I gave in my provisional decision.

These and the findings I made in my provisional decision now form the findings of this, my final decision.

As I said in my provisional decision, I appreciate that Miss M will be disappointed with my decision but I think this dispute is between her and the supplier who damaged her kitchen and not D&G.

My final decision

For the reasons above, I have decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 2 May 2025.

Anastasia Serdari
Ombudsman