DRN-5557052

The complaint

Ms R complains that Domestic & General Insurance Plc ('D&G')'s settlement for a claim on a household appliance protection plan is unfair.

What happened

Ms R had a D&G protection plan covering breakdown or accidental damage for several household appliances. She made a claim on the policy when her washing machine broke down. D&G found that it couldn't be repaired, wrote off the machine in December 2024, and offered her a replacement.

Ms R's old machine was no longer made by the manufacturer. D&G searched for a machine with the same two key specifications of Ms R's old machine – 1600rpm spin and 12kg load. It couldn't find a machine that met both criteria so offered Ms R a cash settlement of £739. This figure was based on the price of a machine with 1400rpm spin and 13kg load. D&G also paid Ms R £379 to apologise for poor service.

Ms R didn't think this was fair. She explained that her personal circumstances and her family's needs meant she needed the larger machine with higher spin rate. She found a commercial machine with these specifications that cost £5,399. She asked D&G to provide this. D&G said this was a "*premium brand*" and wasn't available under the policy terms. Ms R disagreed and brought her complaint to this service.

Our investigator didn't recommend that the complaint should be upheld. She thought the evidence showed D&G's offer was fair. She didn't think it was required to offer the model Ms R wanted.

Ms R didn't accept this, so the complaint was passed to me.

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.

First, ombudsmen decisions are published so are written in a way that prevents the customer from being identified. The unique circumstances of Ms R are known to both parties so I'm not going to set them out here. If I'm vague about them it's to keep Ms R from being identified not because I've ignored them or think them irrelevant. On the contrary, I've considered Ms R's personal circumstances very carefully when making my decision.

Under the policy terms, in the event of a breakdown D&G will "*repair, arrange a replacement or pay the cost of a replacement product*." In this case, D&G couldn't repair the appliance so must offer either a replacement or the cost of a replacement. The policy explains that a replacement will be "*one of a same or similar make and technical specification*." D&G says the washing machine it based its offer on was the "*nearest equivalent*" it could find to Ms R's old machine and was a suitable model. Its settlement offer also included the cost of delivery and installation.

I've reviewed the technical specifications of Ms R's washing machine and D&G's proposed replacement. Having done so, I think D&G's settlement offer is fair for the following reasons:

- As far as I can see, D&G is right that there isn't currently a similar machine available with both 1600rpm spin and 12kg capacity.
- I agree with D&G that Ms R's suggested replacement is a premium brand and costs over three times more than her old machine. I don't think D&G has to offer such a significant upgrade under the policy terms.
- D&G has provided evidence that Ms R can buy a replacement machine with a slightly lower spin (1400rpm) and larger capacity (13kg) for under £739.
- This model has a larger drum capacity than Ms R's old machine, so is to her advantage.
- Models at 1600rpm spin and a smaller drum capacity (11kg) are available for less than £739.

I've considered the available evidence about spin speeds. Having done so, I think the difference between 1400rpm and 1600rpm spin is not so significant that it makes D&G's offer unreasonable. For example, the average residual moisture at 1400 rpm is 50%; the average at 1600rpm is 44%. Independent testing has also found that some machines dry better than others despite having a lower spin.

I understand why Ms R wanted an exact replacement for her old washing machine. However, in this case an exact replacement wasn't available and the policy terms require D&G to provide one of "*same or similar*" specifications. For the reasons above, I think D&G's offer meets this requirement. It follows that I don't uphold the complaint.

My final decision

My final decision is that I don't uphold the complaint because I think D&G's offer is fair.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R to accept or reject my decision before 5 August 2025.

Simon Begley
Ombudsman