

## The complaint

Mr C complains about how Domestic & General Insurance Plc dealt with his claim under his 'Sky Protect Device' insurance policy.

## What happened

Mr C has a Sky Protect insurance policy, insured by D&G. Around May 2024 he reported a fault with his 2 terabyte (TB) Sky HD+ box under a previous policy and an engineer attended. Sky was phasing out HD boxes and the 2TB HD+ box couldn't be repaired. The engineer replaced the equipment with a 500GB HD+ box. Mr C says he was wrongly led to believe that a 2TB Sky Q box had been installed.

Mr C complained to D&G about the loss of capacity. D&G agreed the policy terms said it would provide similar specification or better equipment and a follow up engineer appointment was booked for 29 May 2024. The engineer told Mr C that Sky was unable to supply a 2TB HD+ box so he could keep the 500GB box or contact Sky to upgrade to a Sky Q box.

Mr C says he agreed to have a 2TB Sky Q box and in June 2024 the policy was updated to include the Sky Q box. D&G made an appointment for an engineer to attend for installation on 7 July 2024 but the engineer didn't come. Mr C complained about the missed appointment and about how D&G's representative handled his complaint call. D&G accepted there was a system error which resulted in the missed appointment and it had given poor customer service in the call. D&G apologised and as a gesture of goodwill it refunded Mr C two months' policy premiums totalling £35.05 plus interest.

Mr C says he agreed the goodwill gesture on the basis that a 2TB Sky Q box was installed as D&G had agreed. But when he spoke to Sky in August 2024 it said it would charge him about £90 to install a 2TB Sky Q box. Mr C complained to D&G in a call around 27 August 2024 but he heard nothing further from D&G so he complained to us. He still has the 500GB HD+ box.

In summary Mr C says he would like:

- A full refund of policy premiums. He says the policy was mis-sold as D&G failed to comply with the policy terms to provide a 'like for like' or upgraded equipment.
- An increase in compensation for his distress and inconvenience due to: being misled by the engineers about the equipment installed in May 2024; his time wasted in waiting for engineers who didn't turn up; his time and effort on the phone trying to resolve the problem; his complaints have been closed on two occasions without the agreed resolution put in place; D&G didn't respond to his latest correspondence in a 'timely manner'; he felt unable to amend his TV and broadband package until his complaint was resolved and he continued to pay premiums to D&G for Sky Protect insurance.

In summary D&G responded that:

- Mr C had accepted the offer it made around problems about its service around the Sky Q box not being installed in July 2024.
- Mr C had complained to us about some issues he hadn't first raised with it. It gave a response on some of the new issues raised as follows. But it said Mr C would first need to complain to it about the other issues so it could investigate and respond.
- The policy terms don't entitle Mr C to replacements that are 'like for like' as he suggests. It had acted in line with the policy terms. The policy entitled Mr C to a similar replacement and, if that isn't available, it may offer an upgrade. His 2TB HD+ box was replaced with an identical 500GB box, the only difference being the memory capacity, so it had replaced the box with one of similar specifications. As Mr C was dissatisfied it arranged for the follow-up engineer visit which led to him agreeing to upgrade to Sky Q.
- Mr C is only covered to the standard 1TB Sky Q box under free installation. If Sky wants to charge him to install the 2TB Q box that's not covered by the policy. It didn't control the goods and services offered by Sky.
- It didn't accept the policy was mis-sold. The policy was first set up in 2013. Mr C had benefitted from insuring his Sky HD+ box, as well as other viewing devices, and had several repairs to the box and call out fees covered under the policy.
- It was unlikely the engineer had misled Mr C about the box that was installed in May 2024. It understood he'd indicated he was disappointed at the prospect of replacing his Sky HD+ with Sky Q so the engineer replaced the box with the 500GB box rather than with a new Sky Q box which is what would normally be offered in these situations.
- It didn't accept Mr C had raised two complaints, he'd made one which was then escalated.
- Mr C's Sky package is separate from his Sky Protect policy. He can discuss his overall Sky package with Sky at any time.

Our Investigator said there were some aspects of poor service from D&G but it had done enough by covering Mr C's installation costs for an upgrade to a Sky Q box and refunding two months' policy premiums plus interest.

Mr C wanted an Ombudsman's decision. He emphasised that D&G had agreed to replace his 2TB HD+ box with a 2TB Sky Q box for free but when he contacted Sky about the installation it said it would charge him £90 which D&G wouldn't pay.

Our Investigator asked D&G if it would pay the £90 installation fee but it refused.

### **What I provisionally decided – and why**

I made a provisional decision that I was intending to uphold the complaint. I said:

'I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.'

I've considered all the points both parties have made but I won't address all their points in my findings. I'll focus on the reasons why I've made my decision and the key points which I think are relevant to the outcome of this complaint.

D&G has reasonably said there are some issues Mr C complained to us about that he didn't first raise with D&G so it didn't get the opportunity to investigate and respond to those matters. Our Investigator set out those issues in his view. In summary, if Mr C remains unhappy about the number of calls he had to make to D&G or that it didn't respond to him in a 'timely manner' he will need to raise those issues as a new complaint directly with D&G. If agreement can't be reached then he can make a separate complaint to us on those issues.

The relevant regulator's rules say that insurers must handle claims promptly and fairly and they mustn't turn down claims unreasonably. I have to decide if D&G reasonably dealt with Mr C's claim and I don't think it did. I'll explain why.

The policy says:

*'Replacements for Sky Equipment:*

*We will pay for delivery, installation and set-up charges for replacement Sky Equipment at your address. If we cannot source a replacement of similar make and specification (as it is no longer available) we may offer you an upgrade. If we cannot reasonably arrange a replacement to be supplied to you, and you do not accept an upgrade (if this is offered), we will provide you with a cash settlement instead of up to £65'.*

When Mr C made his claim Sky was phasing out his 2TB Sky HD+ box so D&G couldn't provide a replacement. D&G isn't responsible for Sky's business decision to phase out that equipment. But the policy says if D&G can't source a '*replacement of similar make and specification*' it may offer an upgrade. D&G has told us it would usually offer the customer a new Sky Q box in this situation.

I can't know whether at the May 2024 visit the engineer told Mr C's wife that s/he was going to install a 2TB Sky Q box but instead installed a 500GB Sky HD+ box. But I think the important issue is what happened next when Mr C complained to D&G about the box's loss of capacity.

I've listened to the call between Mr C and D&G's complaints team on 12 June 2024. D&G said the 2TB HD+ box was no longer available so it would upgrade him at no cost to him. Mr C asked what the upgrade would be and D&G replied that the upgrade would be to the 2TB Sky Q box. Mr C said as long as he got that resolution he was happy. It was arranged that a call would be made to arrange installation.

I'm satisfied that in the call D&G had agreed to supply Mr C under the policy with an upgrade of a 2TB Sky Q box at no cost to him. The policy was updated on 13 June 2024 to include 'Sky Sky Q' and the document sent to Mr C would have reinforced his understanding of D&G's agreement.

I've also listened to the call between Mr C and D&G on 21 August 2024. The D&G representative says she's calling about Mr C's complaint that the engineer didn't attend in July 2024 to install a 2TB Sky Q box. In that call D&G made the offer of the two months' premium refund plus interest. It also said it would rebook the installation. Mr C specifically asked for confirmation that it was for a 2TB Sky Q box and D&G confirmed that was authorised, 'booked in' and noted.

I'm satisfied that D&G confirmed to Mr C that a 2TB Sky Q box had been authorised and he could reasonably understand there was to be no charge to him given what was said in the 12 June 2024 call.

Given the contents of those calls it's not clear to me why D&G didn't proceed by paying for the installation cost of the 2TB Sky Q box. During this complaint D&G has in essence argued that, at best, under the policy it's only required to provide the standard Sky Q box as an upgrade. But, even if I thought that was correct under the policy terms, D&G specifically told Mr C that under the policy he would receive a 2TB Sky Q box as an upgrade for his 2TB HD+ box at no cost to him.

So on a fair and reasonable basis I require D&G to provide Mr C with a 2TB Sky Q box with it paying the installation costs and set-up charges. I note Mr C has given the installation cost as £99 or more recently as £90, which D&G will need to clarify.

I think a compensation award is reasonable for Mr C's unnecessary distress and inconvenience D&G has caused. I understand there's only one incident of an engineer not attending an appointment and I think D&G's offer of two months' full policy premium refund for the engineer not attending was reasonable. I understand that's been paid to Mr C. But in addition he's had the unnecessary inconvenience of the time and stress he's spent in trying to resolve his complaint when D&G had agreed to the solution he wanted. I note Mr C felt unable to amend his TV and broadband package until his complaint was resolved, but his Sky package is separate to this matter so isn't something I'd take into account when awarding compensation. Overall, for the matters I've considered in this complaint I think an additional £150 in compensation is reasonable.

I don't have sufficient evidence to make a decision on whether the policy was mis-sold to Mr C in 2013. If he thinks it was he must first complain to D&G direct and then ultimately to us if the parties don't agree on that matter. But it's fair for me to tell Mr C that if he has been able to previously claim on the policy it may be unlikely we'd consider the policy has been mis-sold.

But I need to consider whether there should be a premium refund for the policy that was updated in June 2024 to include 'Sky Sky Q'. My understanding is that Mr C is still paying for that policy but he doesn't have any Sky Q box. If so he shouldn't be paying a premium for a Sky Q box. I don't think it's as simple as me telling D&G to refund all the premiums from June 2024 as the policy covers various items.

I'm intending to tell D&G to refund the policy premiums attributable to the Sky Q box plus interest since the policy started in June 2024. In response to this provisional decision D&G needs to send me a breakdown of the premium payable for the Sky Q box. When Mr C has the 2TB Sky Q box installed he will need to start paying the premiums for that item if he wishes to continue with the policy'.

### **Developments following my provisional decision**

D&G agreed to pay the installation fee and set-up charges for Mr C to have the 2TB Sky Q box. It said it wasn't able to pay Sky directly so Mr C would need to pay Sky and then claim back the cost from D&G. D&G also agreed to pay the additional £150 compensation for Mr C's distress and inconvenience.

D&G provided the information about the policy premium, as I'd requested. It said Mr C wasn't paying to insure a Sky Q box, he's paying for a Sky Protect Multiplan which included the Sky equipment. The policy covered other items and is for the minimum number of appliances – there's no smaller or cheaper Sky policy available. D&G sent screen shots,

which it said showed that before the policy changed in June 2024 Mr C was paying £16.47 per month for the Sky+ HD policy and he'd not paid any more or less for his Sky Multiplan since June 2024, and he still had the Sky HD.

The Investigator contacted Mr C on my behalf and gave him D&G's updated information. I told Mr C that on the updated evidence I thought that as he hadn't been charged any additional premium for the Sky Q box (which he didn't have) there's no policy premium directly attributable to the Sky Q box so there's no premium for D&G refund. Also, as D&G couldn't pay Sky directly for the installation fee and set-up charges for Mr C to have the 2TB Sky Q box, I thought it was reasonable for him to pay Sky then claim the cost from D&G. I asked for Mr C's comments so I could consider.

Mr C said the only reason he'd kept on the policy since making his complaint was so he could access the policy details if he needed to take court proceedings. He gave information about why he wouldn't have taken out the policy if he'd known he wouldn't have the Sky Q box coverage. But Mr C said that 'in the interests of expediency' he would accept D&G's offer of additional compensation and payment of installation fee and set-up charges for him to have the 2TB Sky Q box in settlement of his complaint. He asked whether he or D&G needed to contact Sky to arrange installation.

### **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.

Following my provisional decision and the further developments that I've set out above both parties have now reached agreement on settlement of Mr C's complaint.

For the reasons I've set out in my provisional decision I don't think D&G reasonably dealt with Mr C's claim. I uphold the complaint.

I require D&G to pay Mr C £150 compensation for his distress and inconvenience (in addition to the £35.05 it's already paid) which it now agrees to pay and Mr C accepts. I also require D&G to pay the installation fee and set-up charges for Mr C to have the 2TB Sky Q box, which D&G now agrees to pay and Mr C accepts. As D&G's evidence is that it can't pay Sky directly for the those costs it's reasonable for Mr C to pay the cost to Sky then claim the cost from D&G. Mr C should contact Sky to see if he can arrange the installation or whether Sky needs D&G to make the arrangement.

I've considered D&G's new evidence about the policy premium. I've seen its internal screen shots which show that before the policy changed in June 2024 Mr C was paying £16.47 per month for the Sky+ HD policy and since June 2024 he'd paid the same for his Sky Multiplan, and he still had the Sky HD. As Mr C hadn't been charged any additional premium for the Sky Q box there's no policy premium directly attributable to the Sky Q box. I told Mr C I now thought there's no premium for D&G refund to him.

I note Mr C's comments about why he wouldn't have taken out the policy if he'd known he wouldn't have a Sky Q box. But Mr C is prepared to accept settlement without receiving a premium refund so I don't need to consider whether his comments would have changed my mind about that matter.

### **My final decision**

I uphold this complaint and require Domestic & General Insurance Plc to:

- Pay the installation fee and set-up charges for Mr C to have the 2TB Sky Q box, and
- Pay £150 compensation for Mr C's distress and inconvenience (in addition to the £35.05 it's already paid).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 1 August 2025.

Nicola Sisk  
**Ombudsman**