

The complaint

Mr N is unhappy that Domestic & General Insurance Plc (“D&G”) declined a repair under his appliance warranty policy.

What happened

The background to this complaint is well-known to both parties, so I’ve summarised what I think are the key events.

Mr N had an insurance policy underwritten by D&G covering his television (TV) for breakdown and accidental damage. His TV developed a fault and he asked D&G to repair it. On receipt of the TV, D&G noted that it didn’t have a serial plate, and there was a sticker attached which said “Manufacturer’s warranty void”.

Without the serial plate, D&G said it couldn’t identify the information needed to effect a repair, so it declined the claim.

When Mr N complained, D&G offered a refund of one year’s premium. He didn’t think that resolved the matter so he brought his complaint to us.

D&G then accepted that it should have refunded all premiums paid, plus interest, because cover would never have been available without the serial plate. In recognition of the distress and inconvenience Mr N experienced being without his TV over Christmas, and its delay returning the TV to him, D&G also offered £150 compensation.

Our investigator thought the offer was fair and put it to Mr N. But he didn’t think the compensation was enough because he’d paid around £1,000 for a new TV. Mr N wanted compensation to cover the cost of his new TV. He pointed out that the serial number and model was on the receipt, that the information was available on the TV screen, and there was nothing in the terms and conditions to say the TV had not been maintained to the correct standard. Mr N said he would accept a 50% contribution towards his new TV.

Because Mr N didn’t agree with our investigator’s view, his complaint was passed to me to decide.

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 find that D&G's offer to resolve matters is fair and reasonable. So, for broadly the same reasons as our investigator, I won't be asking it to do any more than it has already offered.

The Financial Conduct Authority's rules (ICOBS 8.1.1) say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. My role, here, is to look at how D&G handled Mr N's claim, and to decide whether it treated him fairly and reasonably in the circumstances, and in line with the rules and the terms of the policy.

When D&G declined Mr N's claim it said:

"The engineer's report concluded that the TV was not serviceable due to the absence of a rating sticker, crucial for compliance, and consequently, the claim was rejected."

While the absence of a rating sticker may seem inconsequential, I don't think it was unreasonable for D&G to rely on the repair engineer's professional opinion that the TV was not serviceable.

In its final response to Mr N's complaint, dated 20 January 2025, D&G explained that the terms and conditions of the policy state:

"it is an obligation for customers to take reasonable care of their insured products, ensuring they are maintained in line with the manufacturer's guidelines and meet all relevant standards."

D&G said the sticker where the serial plate should be does not meet the required conditions of the policy.

I've looked at the policy terms and conditions and see that it does set out:

Important conditions

- Your product must have been installed, maintained and used in accordance with the manufacturer's instructions.

Mr N confirmed that the TV was a refurbished model when he bought it. But the sticker confirms that the manufacturer's warranty was void – not expired. Therefore, I don't think it's unreasonable that D&G concluded the TV had not been maintained in line with the manufacturer's guidelines. That's not to say Mr N did anything wrong. But it seems he'd bought a TV that simply would never have been covered under the policy.

Based on this evidence, I'm satisfied that D&G declined the claim and cancelled the policy fairly in the circumstances.

As the policy would never have provided cover, D&G ought to have refunded the full premium. It only refunded half of the premium. When Mr N brought his complaint to us, D&G offered to refund the full premium, plus interest, along with £150 for not returning the TV to him sooner. Although Mr N didn't think that was enough, I find it to be a fair offer. I haven't

seen any evidence to suggest that Mr N would've been able to buy cover for his TV elsewhere, or that he told D&G his was a refurbished TV at the time he bought the policy. Therefore, I can't reasonably say that D&G caused him any financial loss.

In summary, I find that D&G made a fair and reasonable offer to put things right after Mr N brought his complaint to us, and I direct it to make the payment offered.

My final decision

For the reasons I've given, I direct Domestic & General Insurance Plc to complete its offer:

- Refund the full premium paid since inception of the policy, less any already refunded, along with 8% simple yearly interest*.
- Pay £150 compensation for the delay returning the TV and the distress and inconvenience caused.

*If Domestic & General Insurance Plc considers that tax should be deducted from the interest element of my award, it should provide Mr N with a certificate showing how much it has taken off so he can reclaim that amount, if he is eligible to do so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 6 October 2025.

Debra Vaughan
Ombudsman