

The complaint

Mr J has complained about the way his mobile phone claim under his mobile phone policy was handled by Domestic & General Insurance Plc.

What happened

Mr J held a TV service provider policy which covered a number of devices against accidental damage and breakdown to include his mobile phone.

Mr J's phone was damaged so he made a claim to D&G in September 2024. Mr J said he uses his mobile phone to help monitor his blood sugar as he has diabetes and he required an immediate replacement phone. D&G requested proof of purchase and usage and confirmation of then IMEI.

Mr J then raised a complaint with the Chief Executive over the delays in his claim and getting the replacement phone. His complaint was upheld as there had been delays in calling Mr J back. D&G confirmed it now had all the information to progress his claim and needed him to make the excess payment and to send in his phone for assessment. Following this there were further promises of call backs to Mr J which weren't returned.

It remained that D&G needed to physically inspect the phone before making any decision to replace the phone. Mr J wasn't happy with this as he needed his phone to monitor his blood sugar. In view of the lack of returned calls to Mr J when D&G had promised them, D&G offered Mr J £250 compensation but it maintained it needed to inspect the phone first before making a decision to replace it.

Mr J refused this and brought his complaint to us. The investigator was of the view that there was nothing wrong, given the policy terms, of D&G requiring Mr J to send in his phone so it could inspect it before deciding to repair or replace it. She however agreed that D&G's customer service in failing to return calls was poor. So she thought the £250 D&G offered was reasonable compensation.

Mr J didn't agree so his complaint has been 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'm not upholding this complaint. I do understand and appreciate that Mr J will be disappointed with my decision, so I'll now explain why.

I can understand why Mr J wanted an immediate replacement phone, given he has an app which measures his blood sugar and that other parts of his diabetic treatment might also be controlled through the use of an app on a mobile phone. However this policy simply doesn't

provide that type of service for a damaged phone. Some other mobile phone policies, in some limited circumstances depending on the type of claim made, might well offer this immediate replacement service, but this policy doesn't.

Instead, the terms of this policy permit D&G to inspect the phone to see if it is repairable first and then permits it to make the consequent decision on whether to replace it. That means the policyholder such as Mr J here would always spend some days without their phone or any replacement phone whilst D&G inspected the phone and made its decision. When this service investigates complaints like this, essentially over how a policy operates, we assess whether the insurer - D&G here, did anything wrong as regards the terms and conditions of its policy.

In any event insurers are entitled to decide what risks they want to cover and what they don't. This is part of their commercial discretion and this is permitted by the regulator the Financial Conduct Authority. Insurers are also entitled to decide how to deal with those risks they wish to insure, for example their claims process too. Therefore there is nothing wrong with D&G deciding that it wants to inspect a phone first to see if it can be repaired and before coming to any decision on whether it needs to replace it. Essentially therefore, I have no authority to tell any insurer what risks it should insure or indeed how it should process any claim. I simply have no scope or remit to do that. Once an insurer adheres to its own policy provisions, this service would have no authority otherwise to change or amend its processes for claims or for anything else.

Mr J chose to insure his phone under this policy. There is no legal requirement for insurance for mobile phones like there is for motor insurance so insuring mobile phones, whilst sensible, remains a consumer's choice. So in effect as these policies are sold on what is called an 'unadvised' basis, it is for Mr J to decide if the terms of cover are suitable for his needs. 'Unadvised' in this context means that all D&G have to do is to ensure its policy terms and other policy documents are available to Mr J when he buys his policy so he can make the decision himself as to whether or not the policy is suitable for him and his needs. Clearly Mr J is of the view that he does require a policy that provides an immediate replacement mobile phone but this particular policy simply doesn't provide that. It remains D&G's decision alone after examining the phone claimed to be damaged, as to whether it's repairable or not. It is only replaceable if D&G consider it can't be repaired economically.

The policy provides the following from the Insurance Product Information Document (IPID):

'What is Insured?

- *Immediate protection of your devices from accidental damage.*
- *If cover selected immediate protection for mobiles against accidental loss and theft.*
- *...*
- *Unlimited repairs (including parts and labour costs) on your devices...*
- *A new, refurbished or remanufactured replacement for your devices or an upgrade (for example where we cannot repair it or we decide that it is uneconomical for us to repair your product).*

'What is not insured?

- *Costs that you may incur as a result of not being able to use your device.'*

Under the policy document itself, it says the following:

‘3. What is covered

...

a. Coverage under all policies

Accidental damage: *If one of your Covered Devices suffers from Accidental Damage from the start of your policy, we will do one of the following: adjust, repair, replace the Covered Device or pay the cost of the replacement.*

4. Repairs

You must use our approved engineers, unless otherwise agreed with us. Onsite repairs will only be carried out at your address in the United Kingdom, Isle of Man or Channel Islands. You will be advised whether or not your Covered Device will receive and onsite or offsite repair when you claim.

...

c Offsite repairs and replacements

You will receive a referral number from us. We will either at our discretion arrange for a courier, at our cost, to collect your Covered Device, provide a prepaid protective envelope or arrange for collection via a drop off point. ... Your Covered Device must be collected and/or posted from within the United Kingdom, Isle of Man or Channel Islands.

...

6. Replacements

Any replacement item provided will be (at our discretion) one of the following: new, remanufactured or refurbished.’

So the policy wording is clear that there is no provision for the immediate replacement or swap of a mobile phone when making a claim for a damaged phone in any of the policy wording.

D&G provided the call recordings for eight telephone conversations with Mr J. In none of them is there any evidence that any D&G adviser promised Mr J a replacement phone without assessing the issues with his mobile phone first.

So I don't consider D&G did anything wrong in not immediately replacing Mr J's phone. If Mr J wanted to make a claim for his damaged phone, D&G remained and remain entitled to inspect his phone first to assess whether it can be repaired or will need replacing. On payment of his excess, D&G has confirmed it remains open for Mr J to continue with his claim. Just because Mr J used his phone to monitor his blood sugar does not mean D&G had to alter its processes and the basis of its insurance to cover this. Having access to a mobile phone at all times would remain the responsibility of Mr J to organise himself. It's not something that D&G are obliged to cover.

As regards D&G's customer service to Mr J, there is no dispute that it didn't return calls when it promised to do so and therefore caused Mr J some considerable trouble and upset, necessitating him spending time chasing things up and complaining. I'm glad to see that D&G acknowledged this and apologised for this. It made an offer to Mr J to pay him £250 compensation. I consider this offer is reasonable as it's in line with our approach to compensation which is more fully detailed on our website. D&G confirmed it remains for Mr J to decide whether he wishes to accept this or not.

My final decision

So, for these reasons, it's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 9 April 2026.

Rona Doyle
Ombudsman