

The complaint

Ms B complains that Domestic & General Insurance PLC (DGI) won't refund the policy premiums she paid. She's also unhappy it hasn't reimbursed the cost of replacing appliances that she'd insured with it.

What happened

Ms B took out a number of protection policies with DGI in 2021 and 2022. These plans covered a washing machine, tumble dryer and fridge freezer. She paid over £15 per month to cover all three appliances.

Ms B said that, after tumble dryer broke, she contacted DGI to raise a claim under the policy that covered that appliance. But she stated DGI informed her that she wasn't covered and her claim was rejected. She said the same issue occurred after she notified DGI of a claim following her washing machine breaking down.

Ms B was unhappy that her broken appliances weren't covered by DGI and said she had to cover the cost of replacing the broken tumble dryer and washing machine herself. She cancelled all policies held with DGI in April 2024 and asked her bank to reimburse her the premiums she'd paid via an indemnity claim. She said she received a partial refund of £84.50 from her bank.

Ms B complained to DGI about what had happened. She asked it to refund her the total premiums paid for her appliances and requested it reimburse the costs she'd incurred in replacing the broken items.

DGI investigated Ms B's complaint and contacted the supplier of the tumble dryer and washing machine to ascertain whether it had received any calls about broken appliances. Both companies confirmed Ms B hadn't contacted them to report any faults or request any assistance.

On 24 June 2024, DGI issued its final response to Ms B's complaint. It didn't uphold her concerns and stated there was no record of any contact about the appliances and no notification of any claims. It said it hadn't been able to inspect the appliances prior to Ms B replacing them. And it explained that, as it hadn't rejected any claims, because it was unaware of any issues relating to the appliances it was covering, it hadn't made an error. It therefore declined to reimburse the premiums paid by Ms B or cover the cost she'd incurred in replacing the broken appliances.

Being dissatisfied with how DGI had dealt with her complaint Ms B referred it to our service. Our investigator assessed the evidence provided but didn't recommend upholding this complaint. They said they hadn't seen evidence to confirm that a claim had been notified to DGI by Ms B and that, in the absence of that, they couldn't fairly conclude there was evidence of any claims being rejected. So, they weren't persuaded DGI had made an error. And they didn't think DGI should refund the premiums paid under the policies Ms B had held.

DGI accepted our investigator's view of Ms B's complaint, but she didn't. So, I've been asked to decide the fairest way to resolve this complaint

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.

Where the information I've got is incomplete, unclear or contradictory, as some of it is here I must base my decision on the balance of probabilities. I'd like to thank Ms B and DGI for the level of detail contained within their submissions. I've read and considered all the information provided. If I haven't specifically referred to a point that Ms B or DGI have made it isn't because I haven't considered it. My decision will focus on what I think are the key issues, which is an approach that reflects the informal nature of this service.

I'm sorry to hear about the difficulties Ms B has shared with our investigator. I'm sure she's suffered upset and inconvenience as a result of what happened and I appreciate the reasons she's brought her complaint to our service. However, the crux of this complaint is whether DGI made a mistake, or treated Ms B unfairly, such that it needs to now put things right. I'll explain why I'm not persuaded it has.

Ms B would like DGI to reimburse her for the cost she incurred in replacing her broken appliances. I've seen the terms and conditions of the policy Ms B held with DGI in respect of her washing machine and tumble dryer. The terms cover these appliance for mechanical and electrical breakdowns and accidental damage with unlimited repairs. The policy also provides for a replacement appliance if it cannot be repaired.

The terms and conditions of the policy that Ms B held with DGI require a policyholder to report a claim "*as soon as possible by going online*" via its claim portal. The terms go on to explain that, in the alternative, a policyholder can notify a claim using its designated telephone helpline.

I'm satisfied that the claims process is clearly outlined within the policy terms, which were sent to Ms B after she incepted her policies with DGI. She hasn't told our service that she didn't receive policy documentation from DGI. So, I'm persuaded overall that she ought to have been aware of the policy terms and that, if an appliance developed a fault or broke, she'd be required to inform DGI of this at the earliest opportunity.

DGI told our investigator it has no record of Ms B reporting a claim in relation to any appliances it covered from 2021, when the first protection policy was incepted, to 2024, when the policies were cancelled. I'm aware that this is something Ms B disputes. So, I've carefully considered all the available evidence in relation to this issue.

DGI has shared business records with out service and, having reviewed the entries made, I'm unable to see any evidence that Ms B contacted DGI either by telephone or in writing during the time she held policies with it to report any issues or faults in relation to her appliances. There's also no record of any rejected claims.

DGI has disclosed recordings of two telephone calls that were made to the companies that supplied Ms B's appliances. I've listened to the recordings received and am satisfied that there's no record held by either supplier to indicate that Ms B contacted them directly to report a fault or issue with her appliances during the time she held policies with DGI. The companies have also confirmed there's no record of any claims being rejected.

I'm satisfied that, if a claim had been reported, this would've been logged within the records held by either DGI or the appliance suppliers. In addition, the repudiation of a claim is usually in writing and nothing to indicate that DGI wouldn't have followed that process had it been made aware of a claim and rejected it.

I can see that our investigator asked Ms B to provide evidence confirming she contacted either DGI or the suppliers of her appliances. But she hasn't shared any evidence demonstrating that a claim was notified to either party or rejected. I'm sorry to disappoint Ms B, but based on the available evidence, I'm unable to safely find that any claims were reported by her or rejected.

The policy terms explain that repairs to an appliance will only be paid where authorised by DGI and that only engineers approved by it are authorised to undertake repair work unless agreed otherwise in advance. As there's no evidence to demonstrate it was notified of a claim in respect of the broken tumble dryer and washing machine, it hasn't been able to authorise repairs to either appliance or arrange an inspection by an approved engineer. It also hasn't had the opportunity of confirming the nature of the fault that caused the washing machine and tumble dryer to break, whether that fault is covered by the policy and, if it is, whether the appliance can be repaired.

Ms B hasn't provided any evidence demonstrating that she appointed an engineer to try and fix her tumble dryer and washing machine. So, there's nothing available to confirm why these appliances broke, whether they were repairable and the likely cost had a repair been undertaken. If this evidence had been obtained by Ms B, before she decided to replace her broken appliances, it may have been possible to ask DGI whether it was able to cover the cause of the appliances failing and meet the claim for a repair or replacement in the alternative.

As I've already explained, the policies Ms B held with DGI provide for a replacement of an appliance where a repair isn't possible or economical. It's clear from the policy that before a replacement can be authorised by DGI it requires evidence from an engineer that the appliance is faulty, the nature of the fault, whether the appliance can be repaired and, if so, an indication of the likely cost of a repair. However, here DGI wasn't able to inspect the appliances Ms B says were broken. And there's no evidence of what caused the tumble dryer and washing machine to break or whether the appliances were repairable.

In the overall circumstances, it would be unfair to direct DGI to reimburse Ms B the cost she incurred in replacing her tumble dryer and washing machine. It's been prejudiced and clearly disadvantaged as a result of no claims being reported to it. So, it hasn't been able to determine whether the appliances broke due to a cause covered by the policy and whether they were repairable. And it hasn't had the opportunity of approving or controlling the cost of replacing the tumble dryer and washing machine, which it would have had if the claim had been reported. It would be unfair to require DGI to pay for appliances that might not have required replacement. It follows that it hasn't acted unreasonably here.

Ms B has asked our service to direct DGI to refund the premiums paid by her and I'm aware that she's already received a partial reimbursement from her bank. I should make clear that the indemnity claim Ms B made to her bank for a refund of premiums is separate to the complaint I'm considering here. So, any decision made by Ms B's bank doesn't impact on my assessment of what happened here. And, as DGI has informed Ms B already, if she's unhappy with the amount her bank has refunded she should query this issue with it directly.

Based on the evidence I've considered, I'm not going to direct that DGI reimburse Ms B the premiums she paid under the policies she held with it as this wouldn't be reasonable or result in a fair outcome to this complaint. I say that because Ms B had the benefit of cover

under the policies from 2021 until 2024 when they were cancelled. There's no evidence that DGI had refused to cover any claims that were reported to it or provide assistance in respect of the appliances it was covering. I'm satisfied, overall, that DGI acted fairly in declining to reimburse Ms B the premiums she paid.

I understand that Ms B feels very strongly about the issues raised in this complaint and I've carefully considered everything she's said. But, based on what I've seen, I think DGI acted fairly and reasonably here. So, I'm not going to tell it to do anything further to resolve this complaint. This now brings to an end what we, in trying to resolve Ms B's dispute with DGI informally, can do for her. I'm sorry we can't help Ms B any further with this complaint.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 19 December 2024.

Julie Mitchell
Ombudsman