

The complaint

Miss C complains about Domestic and General Insurance PLC's (D&G), handling of her claim under her extended warranty insurance.

What happened

Miss C held a policy with D&G for an extended warranty on her laptop and accessories. An issue developed with the charger, so Miss C made a claim. Miss C was unhappy with the way in which D&G handled her claim. Namely, that there were delays and service issues. Ultimately, Miss C said that D&G didn't replace the charger, and this led to Miss C laptop being written off.

D&G settled the claim by issuing Miss C with a store voucher loaded with £380. D&G then cancelled Miss C's policy.

Miss C remained unhappy with the resolution as she had expected D&G to refund her policy premiums in full (not least due to the poor service she had experienced). But moreover, she had wanted D&G to make a cash settlement, which it didn't do.

D&G issued its final response on 12 March 2021. Miss C was given her referral rights and referred her complaint on 18 June 2023.

One of our investigators initially considered the jurisdiction point before any merits of the complaint. His view was that the final response on 12 March 2021, only addressed delays in the reimbursement of the charger costs. Further, the outcome of the final response was that the laptop would be written off and a store voucher settlement was arranged.

He said that this element of the complaint had been referred to our service out of time, And as D&G hadn't given our service permission to deal with the complaint, nor had he found that there had been any exceptional circumstances that could be applied, he was unable to consider this element further.

However, our investigator said that Miss C had also complained to D&G on 8 September 2022 about the cancellation of her policy, the refund of the premiums and the non-cash settlement. He felt that D&G hadn't addressed these issues in the final response, so he recommended that both parties provide responses to these issues.

Miss C didn't agree with the view. She felt that exceptional circumstances applied as she had had a period of ill health. She also said that D&G had yet to respond to her letter of 8 September 2022 and hadn't dealt with the policy cancellation and the refund of all her premium payments. So, she asked for an ombudsman to review.

D&G issued a further final response dated on 15 September 2023, in which it said that it was unable to issue a cash settlement for the laptop, given Miss C's policy terms and conditions, which stated that only a store voucher settlement was permitted. But, as a gesture of good

will, it arranged for a cheque for £380 to be issued by way of settlement. It also said that it hadn't received Miss C's letter of 8 September 2022.

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 won't uphold this complaint, for much the same reasons as our investigator. I understand that this might be a disappointment to Miss C, but I hope my findings go some way in explaining why I've reached this decision.

I've first considered the jurisdiction issue before dealing with any of the merits of the complaint.

Miss C contacted our service on 18 June 2023. D&G issued its final response on 12 March 2021. This meant that Miss C had until the 12 September 2021, in which to refer a complaint to us.

Our rules say that, without business consent, I can't consider a complaint which is referred to this service more than six months after the business has sent its final response. This rule is called the Dispute Resolution rule. It can be found in the regulator's handbook of rules and guidance (available on the Financial Conduct Authority's (FCA) website).

There are exceptions to this rule. These exceptions are: if D&G consents for us to consider the complaint. That the failure to comply with the time limit was due to exceptional circumstances.

D&G has confirmed that it won't give our service permission to consider the complaint outside of the six-month rule.

Miss C didn't refer the complaint to our service within the time limit So, I am unable to consider the complaint, under this rule.

But in certain situations, I am able to consider a complaint that had been brought to us outside of the six-month time limit, if there are exceptional circumstances.

Exceptional circumstances are not defined under the rules. But an example given, is where a complainant has been incapacitated. Miss C was asked if there was any other further information that she wished me to consider. Although Miss C told and that she was vulnerable and that she had experienced bouts of ill health. I haven't been provided with enough evidence that could support exceptional circumstances, under the rules. I also note that she continued to correspond with D&G during this time, so I think she would've likely been able to refer the complaint to our service within time.

Consequently, the complaint regarding the delays in the reimbursement of the charger costs with the outcome being a settlement and the laptop being written off, are out of time.

However, the final response didn't deal with the other complaints that were raised on 8 September 2023, namely, the cancellation of the policy, refund of the premiums and the settlement of the claim via a retail voucher rather than any other method. So, I've looked into this further.

I've reviewed the policy terms and conditions, to see what the parties agreed to and what D&G was obligated to do following a claim on the policy.

Miss C said that she didn't ask for the policy to be cancelled it was cancelled without her consent.

The policy that Miss C held states that: *'if we arrange to replace your product (or to give you vouchers for a replacement) your policy will end immediately. No premium paid, will be refunded.'* As Miss C had made a claim under the policy, D&G did what she had agreed to, it cancelled the policy immediately. So, I can't see that D&G did anything wrong here, as it complied with the policy terms and conditions.

Miss C believed that D&G ought to have refunded her premium payments. So, I asked D&G about this. First, according to the policy that Miss C held, if it was the manufacturer who had replaced the device, under the manufacturer's guarantee, then Miss C's premiums would be refunded. But in this complaint, it was D&G who issued the vouchers, so no premium payments would be refunded.

In addition, D&G said that no premium payments were taken beyond 17 February 2021. Consequently, I can't see that D&G did anything wrong here. Or, under the policy terms, had to refund any premiums.

Finally, I've looked into the settlement. I should say at the outset, that the policy states that were a claim is made, settlement can either be via replacement of the product or vouchers. I note that initially vouchers were given. But Miss C wasn't happy about this method of settlement and D&G, as a goodwill gesture, settled the claim by issuing a cheque of £380 on 20 September 2023.

As Miss B wanted a cash settlement, rather than a store voucher, I think that D&G has settled the claim in the way that Miss B wanted it to do. I asked Miss B whether she had received the cheque and received no reply. If Miss B hasn't received the cheque, I would advise that she contacts D&G to see if it is able to re-issue the cheque. But I think that D&G has been reasonable to settle the claim in this way, especially as it isn't a method within the policy terms and conditions.

Further, Miss B was awarded £100 compensation for the trouble and upset caused. Based on the evidence, this was paid to her via bank transfer on 26 July 2021. I have reviewed this in line with our strict guidelines on compensation and I think the amount of compensation paid, is reasonable and in line with our guidelines. So, I won't be asking D&G to increase this further.

D&G said it didn't receive the letter of 8 September 2022. Miss C provided two proofs of postage but having looked at these they don't appear to relate to the letter of 8 September 2022. I say this as both are dated in October and not sent to the correct D&G address. I think therefore that it's more likely than not, that D&G didn't receive the letter.

I acknowledge Miss C's strength of feeling about this complaint. But, in the overall circumstances, I haven't seen enough evidence to show that D&G acted unfairly. I'm therefore not going to tell it to do anything further here.

My final decision

For the reasons given, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 15 January 2024.

Ayisha Savage
Ombudsman