

The complaint

Miss Z complains about how Watches of Switzerland Company Limited trading as Goldsmiths ("Goldsmiths") dealt with a claim she made on her insurance policy after her watch was stolen.

What happened

Miss Z was on a waiting list for a particular watch for almost a year. When she did purchase the watch, she also purchased an insurance policy to protect the watch.

At the time of the purchase Miss Z says she was told if she had to make a claim on the policy she wouldn't have to wait as long as twelve months to get a replacement watch; that as an insurance customer she would be treated as a priority.

Unfortunately Miss Z's watch was stolen and so she reported the theft to the insurer.

The claim was accepted and the watch showroom was authorised to arrange the replacement of the item to the value of the stolen watch. Miss Z was able to choose a different item of equivalent value if she didn't want to replace the watch for the same model. Miss Z was also able to choose an item of higher value and pay the difference.

Miss Z confirmed she wanted the same watch as the one that had been stolen. When she confirmed she wanted a like for like replacement, Miss Z was told the lead time for the watch was 24 months.

Miss Z wasn't happy since she'd been told her wait time would be much less since she was a customer with an insurance claim. She asked whether she could have a cash settlement instead but this was refused. Miss Z wasn't happy – she said she had been mis-sold the policy, and so she complained.

Goldsmiths said Miss Z's claim had been approved in line with the policy terms. And that because Miss Z wanted the same watch to replace the one that was stolen she has been placed on a waiting list with a lead time of 24 months for delivery. Goldsmiths said it was unable to expedite the delivery of the replacement watch since this was something that was out of its control and that the manufacturer of the watch dictated stock levels. Goldsmiths didn't agree the policy had been mis-sold since it had complied with the terms and conditions.

Miss Z wasn't satisfied with the response from Goldsmiths so she referred her complaint to this service. One of our investigators looked into things for her. She said she didn't think the policy was mis-sold or that Goldsmiths did anything wrong, and so the complaint wasn't upheld.

Miss Z didn't agree so the complaint has been referred 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 must tell Miss Z that I think the investigator reached a fair outcome. So, I'm not upholding her complaint. I'll explain why.

Obviously it's difficult for me to be sure what was asked of Miss Z at the time the policy was sold, and what she was told about the policy verbally. But being told she would be treated as priority as an insurance customer, and that she wouldn't have to wait as long for a replacement watch is not entirely unreasonable. And the paperwork provided to her doesn't support that she was mis-led in any way.

I'm satisfied that Goldsmiths provided Miss Z with clear information about how it settles claims made on the policy. And I don't doubt what Miss Z says she was told at the time she took the policy out. But in the absence of any independent evidence corroborating this, I'm unable to uphold this aspect of the complaint. Even if Miss Z had been told she would wait less than a year at the time of the purchase, it makes no difference to the outcome of her complaint. Goldsmiths can't be held responsible for a change in demand for the product from the time she purchased her watch to when she made a claim.

The terms and conditions of the policy Miss Z purchased are fairly standard for such policies. I know Miss Z says her watch was expensive and she wanted to make sure she was properly covered with a suitable policy, and I empathise with the situation she found herself in. But I'm not persuaded she would have found a different policy that offered her guaranteed or shorter lead times. This isn't something that I would generally expect to be in the control of the insurer.

Miss Z says she's been told different, shorter, lead times by different branches of the company she purchased her watch from. I don't have any evidence of this, nor has it been put to Goldsmiths. In the circumstances though I don't think that affects the outcome of this complaint. Goldsmiths are only able to provide Miss Z with a replacement watch if it has one available, and given it relies on the manufacturer for the models that are received, it's likely the lead times quoted are estimates rather than guaranteed.

Goldsmiths explained the reason it wasn't able to expedite the lead time on the watch is due to unprecedented demand for the item. And it explained the lead time she's been advised is for priority allocation – so it appears to be doing what it can to reduce Miss Z's wait time. But I'm not able to hold Goldsmiths responsible for the increased demand for the watch, and I'm persuaded the explanation for the long lead time is reasonable.

So, having considered the evidence provided I'm persuaded that, on the whole, Goldsmiths acted fairly and reasonably here. It has attempted to assist Miss Z by offering her alternative ways to settle her claim if she didn't want to wait for the replacement – and I think that's reasonable.

I know my answer will be disappointing for Miss Z, but I haven't found reason to uphold her complaint.

My final decision

For the reasons I've explained, I don't uphold Miss Z's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss Z to accept or reject my decision before 4 June 2024.

Kiran Clair
Ombudsman