

The complaint

Miss S complains about how Domestic & General Insurance Plc (D&G) sent personal details to a third party because they had an incorrect email address.

D&G use agents to administer the policy and to assess claims. References to D&G include these agents.

What happened

Miss S had several protection policies with D&G, covering electrical equipment. In June 2024 she was contacted by a third party to say they had received emails from D&G containing personal information about Miss S. Miss S had called D&G to request a repair to one of her appliances, but D&G had recorded the wrong email address for Miss S, as they'd incorrectly added an additional letter to Miss S's forename).

Miss S contacted D&G to complain about the error and D&G sharing her personal information with the third party.

D&G upheld the complaint. In their final response D&G said Miss S's account with them was showing incorrect information due to a data irregularity in their systems. D&G had worked to correct this by ensuring all policies recorded Miss S's correct email address, and the issue was now resolved. D&G apologised for any inconvenience caused to Miss S and issued payment of £47.52 (three months' premiums).

Miss S wasn't happy with D&G's response, so she complained to this Service, saying D&G had an incorrect email address for her, leading them to send personal information to a third party. The third party contacted Miss S to tell her, otherwise D&G wouldn't have known.

Our investigator upheld the complaint, concluding D&G hadn't acted fairly. She thought the incorrect email address had been set up in the sales call in which Miss S took out her policies, with the D&G call handler making an assumption about the spelling of Miss S's forename. But Miss S didn't clarify the spelling either. But D&G should have ensured the correct email address was recorded. While D&G had corrected the error and awarded three months' premiums by way of an apology, the investigator thought D&G should pay Miss S £100 compensation (including the £47.54 D&G had already paid).

Miss S disagreed with the investigator's view and requested that an ombudsman review the complaint. She didn't think the recommended compensation fairly reflected the impact the data breach had on her. She said the disclosure of her personal information to the third party had caused her significant distress and was deeply unsettling. Receiving a text from the third party telling her about the breach had heightened her anxiety and left her concerned about potential misuse of her personal information. This was more than an acute short-term impact, leaving her feeling vulnerable about her privacy (that a third party had her home address) as well as lasting emotional harm. And causing her to doubt the competence of companies to whom she entrusted her personal data.

She also thought D&G's actions represented a clear breach of data protection regulations (GDPR) and D&G's legal obligation to safeguard personal data. D&G failing to verify her email address before wrongly sending personal information to the third party was a serious lapse in their duty of care towards her. Compensation for data breaches should serve as a deterrent to ensure businesses took their data protection obligations seriously.

In addition, addressing the issue had taken her considerable time and effort, making phone calls and sending emails, causing her unnecessary stress and inconvenience. She also thought similar cases involving data breaches led to compensation amounts of over £5,000. With this in mind, she thought an award in the range £3,500 to £5,000 (or more) would be more appropriate.

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.

My role here is to decide whether D&G acted fairly towards Miss S.

The issue in Miss S's complaint is that D&G shared personal information about her with a third party. This was due to D&G having an incorrect email address for her. D&G acknowledge the error and awarded three months' premiums (£47.52) by way of an apology.

When sharing their business file with this Service, D&G explained that what appeared to have happened was that in the original sales call when she took out her policies the call handler assumed a spelling of Miss S's forename that included an additional letter at the end (which the handler thought the more common spelling). However, Miss S's forename was spelt without the additional letter. D&G say that in the call, Miss S didn't spell out her forename, but neither does the call handler ask her to do so.

A subsequent call in which Miss S requested a repair simply confirms the email address, again without it being spelt out by either the agent or Miss S. D&G sent a confirmation email following the call (the claim).

As the facts in this case aren't in dispute and D&G have acknowledged their error and awarded compensation, the issue for me is what D&G should do to put things right. They've confirmed that they have corrected Miss S's email address on their systems, which should ensure that no similar data breach occurs in the future (I've had no indication that it has).

I've thought carefully about what Miss S has said about the impact the data breach has had on her, including her emotional distress and anxiety. I don't doubt the episode was unsettling and upsetting for her, to be approached by an unknown third party to tell her that they'd received personal information about Miss S.

Having done so, I've concluded £100 compensation for the distress and inconvenience suffered by Miss S would be fair and reasonable. That is, a further £52.48 in addition to the £47.52 they've already paid Miss S). I know this will be disappointing to Miss S, given her request for a much higher award. I'll set out why I've come to this conclusion.

First I think it important to say that this Service doesn't have a remit to determine whether a breach of GDPR (or other) data protection legislation has occurred (although in this case D&G accept they have wrongly shared Miss S's personal information). That responsibility lies with the Information Commissioner's Office (ICO) and if Miss S wishes to pursue the issue of a GDPR breach, then it's open to her to raise her concerns with the ICO and for them to consider those concerns.

Second, it's not the role of this Service to punish businesses where things go wrong. Miss S says compensation for data breaches should serve as a deterrent to ensure businesses took their data protection obligations seriously. While I agree businesses should take their obligations seriously, our approach as a Service isn't to make awards for compensation to act as a deterrent (or, as I've said, to punish them). Miss S also says that what happened has caused her to doubt the competence of companies to whom she has entrusted her personal data. I understand why she feels this, but that would mean assuming other companies are likely to make similar data breaches, when I've seen no evidence that this has actually occurred.

I've also considered what Miss S has told us about the impact of what happened, including the time and effort to resolve the issue as well as the impact in terms of anxiety and emotional distress. I've done so in the context of the published guidelines on awards for distress and inconvenience published by this Service. While I recognise Miss S doesn't think the episode only had an acute short-term impact on her, I think what happened can reasonably be considered a larger, single mistake requiring a reasonable effort to sort out. Awards of the range requested by Miss S would have a lasting impact on someone's health (or even personal injury) as well as severe disruption to daily life typically lasting more than a year. While I recognise what Miss S has said about the emotional impact on her, I don't think what happened falls into this category.

My final decision

For the reasons set out above, it's my final decision to uphold Miss S's complaint. I require Domestic & General Insurance Plc to:

- Pay Miss S £100 compensation for distress and inconvenience.

Domestic & General Insurance Plc must pay the compensation within 28 days of the date we tell them Miss S accepts my final decision. If they pay later than this they must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 6 March 2025.

Paul King
Ombudsman