

## The complaint

Mrs C complains about the service she received under her boiler insurance policy with Domestic & General Insurance Plc ('D&G').

## What happened

Mrs C held an insurance policy covering her boiler with D&G for a number of years. She contacted them to report her boiler had broken down in late September 2024. An engineer visited her property to carry out a repair and a replacement part was installed that resolved the issue. Mrs C then contacted D&G again in mid-September 2024 to report the boiler was still showing faults and a second visit was arranged. That engineer replaced another part in the boiler – however Mrs C was forced to contact D&G again around two weeks later to report a third issue. An engineer attended and replaced a third part in the boiler and reported it was working correctly again as a result.

Mrs C was concerned about the repeated breakdowns and need for replacement parts, so she contacted D&G to discuss a replacement boiler being installed. D&G wrote to Mrs C in October 2024 and said they would be replacing the boiler and would arrange for one of their experts to contact Mrs C within five working days to discuss the next steps and timeframes for replacement.

However, Mrs C says she didn't hear anything further, so she got back in touch with D&G who informed her the offer of a replacement boiler was a mistake. They then wrote to Mrs C in November 2024 to confirm the error, but Mrs C says the letter caused further confusion as it still referred to considering a permanent solution. Mrs C brought the complaint to this Service as she remained unhappy with how D&G had handled it.

An Investigator looked at what had happened and recommended that the complaint should be upheld in part. He said that he was satisfied the policy didn't provide for a replacement given the boiler was still able to be repaired with available parts. But he did think D&G's handling of the complaint and miscommunication would have created a loss of expectation and caused distress and inconvenience to Mrs C. He recommended that D&G should pay £500 compensation to reflect this.

D&G didn't agree with the Investigator's recommendations. They said they had carried out the repairs within a reasonable timeframe of the faults being reported to them and, as the boiler was 20 years old and had experienced three separate issues, they didn't think there had been any error or a shortfall in service.

I issued a provisional decision on this complaint in April 2025 and I said the following:

*"I should explain that I won't be repeating the entirety of the complaint history here in my decision or commenting on every point raised. Instead, I've focussed on what I consider to be the key points that I need to think about in order to reach a fair and reasonable conclusion. This reflects the informal nature of this Service and our key function; to resolve disputes quickly, and with minimum formality. However, I want to assure both parties I've read and considered everything provided."*

*This complaint has two main aspects to consider. The first is whether it was fair and reasonable for D&G not to provide a replacement boiler under the terms of the policy. I've looked at the relevant terms and I can see that they say:*

#### **REPLACEMENTS**

*"If a repair is approved on your heating equipment, but we are not able to repair it, or we decide that it is uneconomical for us to repair it (because for example the repair would cost more than the lesser of (i) the repair limit or (ii) the price of a new boiler), we will arrange to provide you with a new boiler up to a value of £750."*

*While I do appreciate Mrs C's concerns over whether there will be additional breakdowns given the age of the boiler, my role is to consider whether D&G has acted fairly and within the policy's terms. And because the issues Mrs C reported were all separate issues and they were able to be resolved with available replacement parts, I think it was fair for D&G to conclude that a new boiler wasn't covered under the terms of the policy.*

*However, I think that D&G telling Mrs C that they would be replacing the boiler, her having to contact them for an update when she heard nothing further and then being told that there wasn't going to be a replacement after all, would have caused further distress to her during an already difficult time and would have created a loss of expectation.*

*I appreciate D&G says that their second letter sent in November 2024 would have reduced any uncertainty, but I don't agree – I agree the letter is still confusing as it refers to a "permanent solution" but doesn't go on to explain what this is.*

#### **What was the impact**

*Ongoing repairs as part of a claim naturally come with a certain level of frustration and inconvenience, so I would expect there to be some disruption as part of the normal claim process. But I think it's clear that D&G's handling fell below the standard Mrs C could reasonably expect with the misinformation they provided.*

*I have no reason to doubt Mrs C would have experienced an additional level of distress and inconvenience trying to sort the situation out. And given her concerns over repeated breakdowns, I think D&G's communications caused a loss of expectation for her. So, I'm satisfied they should pay a sum of compensation to acknowledge the impact of their actions.*

#### **Putting things right**

*A compensation award isn't intended to fine or punish a business, it's to recognise the impact a business' actions have had on their customer in a particular complaint. This Service's approach to compensation awards requires me to think about what amount would be fair by taking into account how I consider Mrs C was affected.*

*I've thought carefully about the level of compensation I would consider fair in this situation. Based on what has happened, I can see the Investigator has recommended D&G pay £500 compensation. I've thought about this, but I think it is excessive in the circumstances.*

*I've weighed up Mrs C's testimony, the available evidence, and the duration of the incident. Overall, I consider a total sum of £150 is a fair and reasonable amount of compensation.*

*While I appreciate this amount is not what Mrs C might hope for and that this may not fundamentally change matters for her - I consider this to be in line with the level of compensation appropriate to these issues and the evidenced impact on Mrs C. And I'm satisfied this award is in line with this Service's approach to compensation and produces a fair and reasonable outcome in the circumstances of this particular complaint."*

I said that I was intending to uphold this complaint and to direct D&G to pay £150 compensation for loss of expectation. I invited both parties to reply to my provisional findings. Mrs C didn't reply by the deadline I set. And D&G responded and said they were in agreement with what I had set out.

### **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 remain of my view that my provisional outcome produces a fair and reasonable conclusion to this particular complaint. And, as neither party has provided any further information for me to consider, I see no reason to depart from my provisional findings.

### **My final decision**

For the reasons given above, my final decision is that I uphold this complaint. I direct Domestic & General Insurance Plc to pay £150 compensation for loss of expectation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 2 July 2025.

Stephen Howard  
**Ombudsman**