

The complaint

Mrs E complains about the way Domestic & General Insurance Plc (D&G) have handled a claim she made under her boiler breakdown cover.

What happened

The details of what happened are well known to both parties, so I will just summarise them here.

- Mrs E had boiler insurance with D&G from November 2023. She raised a claim in December 2024, following loss of heating and hot water.
- The boiler was deemed beyond economical repair (BER) by D&G.
- Mrs E told D&G that instead of a replacement boiler, she was going to install a heat pump system. She wanted to know how much they would contribute towards this, as they hadn't been able to repair her boiler.
- D&G said they had been denied the opportunity to replace the boiler, in line with the policy terms. They eventually said they would contribute £375 towards Mrs E's replacement system. They said this was half the amount they policy allowed for when they weren't able to repair or replace.

Mrs E wasn't happy and brought her complaint to our service for an independent review. Our investigator looked into it and thought D&G had acted fairly. She said they only need to make a contribution where they hadn't been able to replace a boiler, and in this case, they had been prevented from being able to replace it. But had been able to. So, she thought the offer was fair.

Mrs E didn't agree, amongst her points in reply, she said D&G had not been close to providing a replacement boiler, it's not fair that the full contribution provided for by the policy isn't paid out and that she is acting responsibly by installing a heat pump system instead.

As no agreement was reached, the case has come 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 agree with the outcome reached by the investigator. I'll explain why.

Mrs E's policy states that *"if a repair is approved on your product, but we are not able to repair it, or we decide that it is uneconomical for us to repair ... we will arrange to provide you with a new boiler up to a value of £750. Subject to availability and the price limit, the replacement will be of the same or similar technical specification"*.

D&G had deemed the boiler BER (Mrs E has not provided any evidence to dispute this decision) and so they were required to provide a replacement, of the same or similar specification, up to £750.

D&G didn't do this, and they say that this was because Mrs E made it clear that she wanted to replace it with a heat pump system. Mrs E hasn't provided any evidence to show this wasn't the case or that she wanted D&G to replace the boiler.

Therefore, D&G aren't required to provide any contribution to Mrs E (regardless of whether it is for a boiler or heat pump system). The policy only says that when they "*cannot reasonably arrange a replacement, we will provide a contribution up to £750 towards a replacement of the same or similar technical specification instead*". D&G are able to arrange a replacement here, but Mrs E has decided that isn't what she wants.

D&G have therefore made an offer as a goodwill gesture of £375. This is more than the policy requires them to do and so it follows that I find this offer fair and they should pay it to Mrs E, if they haven't already done so.

My final decision

My final decision is that the offer Domestic & General Insurance Plc made is a fair one and they don't need to do anything further to put things right. They should pay Mrs E the £375 if they haven't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs E to accept or reject my decision before 20 October 2025.

Yoni Smith
Ombudsman