

The complaint

Mr B and Miss P have complained about how Intact Insurance UK Limited dealt with the claim they made after they discovered an escape of water in their home.

What happened

Mr B and Miss P bought their home in spring 2024. Just a few weeks later, they found the floor in their living room was wet. So they contacted Intact. Intact advised them to find a contractor to trace and deal with the leak and to send them evidence of the works undertaken.

The contractor excavated and found that the leak had come from a water pipe which had been sunk into the concrete floor. After this had been repaired, Mr B and Miss P contacted Intact at the end of May 2024 to progress to drying and repairs. Repairs were completed around February 2025.

Mr B and Miss P complained to Intact about delays in the claim, which had led to them chasing information on many occasions. And they complained that Intact's investigations before accepting the claim were discriminatory and that they'd not provided alternative accommodation, despite Mr B and Miss P telling them Miss P had a medical condition which was impacted by living in the unrepaired property.

In response, Intact said that, due to a rise in fraudulent and exaggerated claims, they investigate thoroughly before a claim is accepted. They didn't think they'd discriminated but apologised that Mr B and Miss P felt they had. In respect of alternative accommodation, they said they didn't know about Miss P's health until they were contacted about the possibility of moving Mr B and Miss P elsewhere. When it was brought to their attention, they requested medical evidence that showed Miss P's condition to be historic and that she wasn't receiving any treatment at the time of the claim.

But Intact did accept there were delays and miscommunication on their part. They paid Mr B and Miss P £250 compensation for this.

Mr B and Miss P didn't consider this resolved their complaint and brought it to the Financial Ombudsman Service. Our investigator reviewed the information provided by both parties and thought £500 (including the £250 already paid) was a fairer sum to compensate Mr B and Miss P for the delays in the claim and for not moving them to alternative accommodation after they'd provided a letter from Miss P's doctor showing her health issues weren't simply historic.

Intact accepted the investigator's view. Mr B and Miss P didn't. So the matter's been passed to me to make a final decision.

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 that, I'm upholding the complaint. But I'm not asking Intact to do any more than our investigator recommended and which they've already agreed to. I'll explain why.

Mr B and Miss P haven't disagreed with the investigator's conclusions. But they've said that £500 doesn't recognise the impact on them of what happened. I've thought carefully about this.

I recognise that Mr B and Miss P were in a stressful situation. But I have to take into account that making a claim is stressful and takes time to resolve – even if it progresses without issue. So, while I don't dispute that the claim disrupted their lives, I can only say Intact should compensate them for the additional level of stress and disruption their failings caused – not for the inevitable impact of a claim or for them making legitimate investigations.

Our investigator identified various instances of delay. From this, I can see there were a number of short periods of delay. And there were occasions where the claim was being progressed, but Mr B and Miss P weren't being kept updated. There were also instances where work had to be postponed when Intact were let down by their contractors.

Mr B and Miss P have also said they weren't offered alternative accommodation until late on in the claim process. I can see that's true. But the policy only provides alternative accommodation if a property is uninhabitable.

Usually, we'd say a property is uninhabitable if there's no kitchen, bathroom or toilet, or if it's unsafe. There's no suggestion here that Mr B and Miss P didn't have those facilities. But they say Miss P's health made it unsafe for her to be in the property.

I'm sorry Miss P suffers from ongoing poor health. But I can't say Intact should have considered this before the end of October 2024, because they were only told about it then. And I can see that, once they were aware, they requested evidence of Miss P's condition to assess whether alternative accommodation was needed. Given that evidence was historic, I can't say it was unreasonable of Intact to decline the first request. But I do agree with our investigator that, once they received evidence of Miss P having ongoing health issues, they could have looked at moving her and Mr B to alternative accommodation sooner.

Putting things right

I agree with our investigator that a total of £500 compensation is a reasonable amount to reflect what went wrong in this case. Mr B and Miss P have said they should receive more in line with our published guidance. But that guidance says an award of this level might be fair where:

“...the impact of a mistake has caused considerable distress, upset and worry – and/or significant inconvenience and disruption that needs a lot of extra effort to sort out. Typically, the impact lasts over many weeks or months...”

I think that's the impact Mr B and Miss P have described to us in their complaint. So I'm satisfied the award is consistent with our guidance. And it's fair for Intact to pay them a further £250 compensation in addition to the £250 they previously paid, making a total of £500 to resolve this complaint.

My final decision

For the reasons I've explained, I'm upholding Mr B's and Miss P's complaint about Intact Insurance UK Limited and directing them to pay Mr B and Miss P a further £250 to bring the total compensation paid to resolve this complaint to £500.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Miss P to accept or reject my decision before 10 December 2025.

Helen Stacey
Ombudsman