

The complaint

Ms C complains Intact Insurance UK Limited (“Intact”) has unfairly declined to cover her claims on her contents insurance policy in full. She’s also unhappy with the service it provided as she says she spent a great deal of time going back and forth with Intact over the claim and it recorded inaccurate information about her. Ms C says the whole experience has impacted her physical and emotional health.

All references to Intact include its agents.

What happened

Around June 2023, Ms C took out an insurance policy to cover her contents in her rented accommodation. Around October and November 2023, Ms C says her property suffered storm damage which caused water to ingress through the roof. She says this caused water damage and mould throughout her property including in the attic, and in a hallway cupboard. And in November 2023, she says her property was flooded via the airbricks at the back of the building which damaged her belongings in her back bedrooms.

Ms C initially didn’t make a claim for her damaged items on the policy. But after contacting Intact about the damage in February 2024, she claimed on her policy at the end of May 2024. Ms C made two claims on her policy – one for the storm damage and one for the flood damage. And during that call she explained whilst she still had some of the damaged contents, she’d disposed of some of them but she had photos of everything. As her landlord had planned to sell the property, she had to move soon. So Intact agreed to send a loss adjuster (“LA”) around quickly to look at things further.

Ms C has explained she tried to clean her contents herself and a professional company was hired to clean the items. Ms C says she temporarily moved out of the property due to the impact of the mould on her health. She expected Intact to cover the cost of the alternative accommodation she stayed in and pay for the time she spent cleaning things.

Intact arranged for the LA visit at the beginning of June 2024 but as the LA didn’t turn up it was rearranged for around two weeks later. Ms C was unhappy about the missed visit as she waited in for the LA and had to spend time rearranging it.

We’ve been given the LA’s reports for each claim. The reports both say Ms C’s property had been restored already and her contents had been moved outside. In summary, the LA said they were unable to determine exactly what was damaged during the insured events and some of the items outside didn’t appear to be damaged. After the visit, Ms C disposed of the items outside as she says the LA told her they weren’t needed.

Following the LA visit, Intact declined to cover Ms C's claim in full and instead paid her around £10,000. It said by Ms C disposing of the items, it wasn't given the opportunity to restore them. And it thought it likely could have restored metal, plastic and wooden items. So it offered her £1,000 for those items as the amount it estimated it would've cost to restore them. Intact said it would cover the cost of replacing textured or fabric items and electronics even without evidence of the damage as it accepted these items were likely irreparably damaged. Ms C had provided lists of all of the items which she considered were beyond economic repair and how much it would cost to replace them. Intact didn't agree to cover some of the items and it didn't agree to the replacement cost Ms C provided for other items.

Ms C was unhappy with this offer so she made a complaint. She also said some of the information which was shared in the report was inaccurate and upsetting. Intact said if she could provide more evidence, it would reconsider its offer but based on the information it had, it thought it had settled things fairly. Intact offered Ms C a total of £200 compensation for the service it had provided, and for the LA not turning up to the appointment. As the complaint wasn't resolved, Ms C asked our service to look into things. Our Investigator upheld the complaint in part. She thought Intact had decided the claim fairly but thought it should pay an additional £100 as compensation. Ms C didn't accept our Investigator's opinion so the complaint was passed 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.

Based on everything I've seen, I've decided to uphold this complaint in part for broadly the same reasons as our Investigator, I know Ms C will be disappointed. I'll explain why.

Declined claim

In order to accept a claim on a policy, insurers need to be satisfied the policy terms have been met. And in insurance claims, the onus is on the insured to prove their claim – that's neither unusual nor unreasonable. That's what Intact is saying Ms C hasn't done here and from what I've seen, I'm persuaded by what it's said.

I've looked carefully at the information Ms C's provided to support her claim. And I don't think Intact has acted unfairly in covering the cost of restoring the items it thinks it could've restored rather than covering the cost of replacing them. I appreciate Ms C's said she had already tried cleaning them and a professional cleaning company had been hired to do the same. But both parties seem to accept the only evidence shared from the professional cleaning company says only a very small number of items – two – were beyond economic repair and disposed of. Whilst Ms C says this is inaccurate and more items were irreparable, I've not been given any evidence to support this.

Ms C says she wasn't told to keep any of the items for Intact to validate her claim. And she's said the LA told her she could dispose of everything outside her house after his visit. But I can see Ms C said she'd already disposed of some of the items she was claiming for when she first claimed on the policy. And for those left outside, it would've been difficult for Intact to identify which items left outside had been damaged by the insured event and which had been damaged since. I also note the LA said some items didn't appear damaged.

Overall, I don't think Intact has acted unreasonably here. Due to how long it took Ms C to make the claim and as she'd already disposed of some items, it was put in a position where it couldn't fully validate her claim. So I don't think it's settled the claim in an unfair way based on the evidence it did have.

Ms C is particularly unhappy with a settlement amount she was offered for 500 CDs she owned. Intact offered her £4 per CD as the price she'd be able to buy them for second-hand. But she says her policy provides new for old cover. So she thinks it should pay £12 per CD which is how much she would've bought them for. Ms C says her CDs were bought between 30 and eight years ago. So Intact has said new copies are no longer available. So I don't think it's unreasonable for Intact to pay her the amount it says she'd be able to replace the CDs for, particularly as she's not provided evidence of the cost or ownership of the CDs.

Customer Service

Ms C has complained she spent months going back and forth with Intact and it made errors in the list of contents it provided. She's also unhappy the LA missed her appointment which she'd waited in for. Intact accepted this and offered Ms C £200 to make up for it.

I can understand it would've been very disheartening for Ms C when she waited in for the LA who didn't turn up. And it must've been confusing and frustrating when no one at Intact could tell her why and she had to rearrange the appointment. This would've caused her additional stress knowing it was getting closer to the date she'd have to vacate the property. And after some back and forth, it took around another two months for Intact to offer to settle her claim.

Considering the impact Ms C has described the claim event had on her personal circumstances, I agree with our Investigator that the compensation Intact has offered isn't fair. And it should pay Ms C an additional £100 to make up for the distress and inconvenience she's been caused.

Alternative accommodation and impact on Ms C's life

Ms C has explained her health suffered because of the mould exposure and the time she spent cleaning it. So she spent additional funds to stay in alternative accommodation and she thinks Intact should cover the cost of this. Ms C's policy covers her contents. And whilst she's entitled to alternative accommodation under the terms if her home is uninhabitable due to damage to her contents, I don't think she's shown that's the case here. So I don't think Intact acted unreasonably in declining this part of her claim when it was made quite some time after she paid for alternative accommodation and without showing it was necessary because of her contents.

I've also thought about whether Intact's actions put Ms C in the position where she needed to spend extra funds on alternative accommodation and I don't think it did. Ms C didn't claim on her policy for around seven months after the insured event. And it was before this time she says she needed to stay elsewhere. From everything I've seen in this case, I'm satisfied Ms C was impacted by the circumstances of the claim itself and not by anything Intact did.

Ms C's highlighted a number of ways she says her life has been impacted by what's happened. This includes being unable to work and getting herself into debt. But I haven't seen anything to make me think it's more likely any of these things are due to the actions of Intact rather than the circumstances of the claim itself. So I don't think Intact needs to do anything to make up for this.

Putting things right

To put things right in this case, I direct Intact to pay Ms C a total of £300 in compensation – that is £100 on top of the £200 it already offered or paid her. It's unclear whether Intact has already paid the £200 it previously offered her. If it hasn't, it needs to pay the total amount of £300 to her but if it has, it only needs to pay her an additional £100.

My final decision

For the reasons I've given, I uphold Ms C's complaint in part and direct Intact Insurance UK Limited to put things right by doing what I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 20 November 2025.

Nadya Neve
Ombudsman