

The complaint

Ms S complains about the way Intact Insurance UK Limited handled a claim she made under her buildings insurance policy.

Intact was known as Royal & Sun Alliance at the time of the claim and complaint, so I'll refer to Intact as RSA for continuity.

Reference to Ms S or RSA refers to their respective representatives.

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.

Our investigator thought RSA had mostly acted fairly, but should pay a total of £250 compensation. RSA accepted this. I agree, and for the same reasons, so I don't think it's necessary for me to go over everything in detail. Instead, I'll summarise the main points:

- The scope of this complaint is claim events up to and including RSA's December 2024 complaint response. I won't consider any claim events after that time as part of this complaint. Ms S is entitled to make a complaint about such events if she wishes.
- After Ms S' boundary wall was damaged by a third party driver, she got in touch with RSA to make a claim. The wall is shared with a neighbour.
- RSA accepted the claim and valued Ms S' share of the cost of repairing the wall at around £500. It offered Ms S a cash settlement for around £300 after deducting the £200 excess.
- Ms S didn't think she should have to lose out financially as a result of damage caused by a third party driver. So she didn't think she have to pay an excess. Or face higher premiums at the next renewal as a result of the claim and losing her 'no claims discount'. She also said RSA's valuation for the repair cost was insufficient.
- RSA's policy doesn't insure Ms S against all losses – financial or otherwise – she may suffer as a result of the actions of third party drivers. It only covers the cost of her share of the repairs required to put right the wall damage, subject to an excess. This is in keeping with most buildings insurance policies, so it's not unusual.
- RSA is entitled to deduct a policy excess and take into account the claim when considering premiums. As RSA's is the only valuation available to estimate the cost of repairs, I don't have any reason to consider it insufficient. So, I'm satisfied RSA's offer was fair and reasonable in the circumstances.
- If Ms S wishes to pursue the claim with RSA, she's entitled to provide an alternative valuation and share it with RSA to consider the matter further.

- RSA has accepted it told Ms S a cash settlement was its standard claims process, indicating it was the only settlement option available to her – but this wasn't correct. In its complaint response, RSA noted the policy says it may also offer to carry out repairs. So it would have been preferable if it had let Ms S know this. However, as the wall is shared, a cash settlement may have been the most appropriate method of settlement, even if RSA had been clearer about other potential settlement methods.
- I understand the wall has been repaired and not to Ms S's satisfaction. RSA didn't carry out the repair. As a result, RSA isn't responsible for the standard of repairs carried out. So I won't consider this complaint point any further.
- If RSA settles the claim under the policy, it may choose to pursue a recovery from the third party driver or their insurer. That can include RSA's costs and Ms S's uninsured losses, such as the excess. It won't include the punitive damages Ms S suggested.
- There's no guarantee a recovery would be successful. RSA can't compel the third party driver or their insurer to agree to a recovery. But, if there are reasonable prospects of success, and it's economical to do so, RSA can attempt a recovery by making its case to the relevant party. RSA has agreed to do this.
- To support a potential recovery, RSA initially asked Ms S to obtain the driver's details from the Police. It later apologised for doing this and said it would contact the Police directly. It also explained the steps it would take to pursue the recovery further, including how Ms S could include her uninsured losses.
- I'm satisfied the position and next steps RSA set out treat Ms S fairly and reasonably.
- I think the initial wall damage and the wider circumstances have clearly caused Ms S some distress and inconvenience. Whilst I recognise that, I can only hold RSA responsible for any distress and inconvenience it avoidably caused – not for any caused by other parties or which was an inevitable part of dealing with the claim.
- In its complaint response, RSA offered £100 compensation for the distress and inconvenience caused by avoidable mistakes it made. Our investigator asked it to pay an additional £150 compensation, making £250 in total. RSA agreed to do this. I'm satisfied this is a fair and reasonable amount in the circumstances, bearing in mind the scope of the complaint and RSA's responsibilities.
- If RSA has already paid the £100 compensation it initially offered, it need only pay the remainder.

My final decision

I uphold this complaint.

I require Intact Insurance UK Limited to pay a total of £250 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 10 November 2025.

James Neville
Ombudsman