

The complaint

Mrs K complains about how Intact Insurance UK Limited (formally Royal & Sun Alliance Insurance Limited) handled a claim on her buildings insurance policy.

What happened

Mrs K had an insurance policy with Intact which renewed in February 2022. I was sorry to hear that Mrs K had a fire in her property in August 2022. She logged a claim with Intact which was accepted. She moved back into her property in November 2023. Mrs K raised a complaint about a number of issues which fell into three overriding categories:

- Alternative accommodation (AA)
- Communication and delays
- Quality of work

Intact upheld Mrs K's complaint. They agreed there had been some delays and awarded £200 compensation. Mrs K was unhappy so brought the complaint to this service.

Our investigator upheld the complaint. Whilst on the majority of issues she felt Intact hadn't done anything wrong, she didn't think the compensation offered by Intact was enough. Our investigator thought Intact should pay an additional £200 compensation, a total of £400. Intact accepted the outcome. Mrs K appealed. She was still unhappy a gesture of goodwill was offered on the boiler in exchange for dropping the complaint, which Intact denies was the reason. She was also unhappy that Intact had accused her of staying in the Ritz hotel as AA. As no agreement could be reached, the complaint has been passed to me to make a final decision.

Because I disagreed with our investigator's view, I issued a provisional decision in this case. This allowed both Intact and Mrs K a chance to provide further information or evidence and/or to comment on my thinking before I made my final decision.

What I provisionally decided – and why

I previously issued a provisional decision on this complaint as my findings were different from that of our investigator. In my provisional decision, I said:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Based on what I've seen so far, I intend to uphold Mrs K's complaint.

When considering complaints such as this, I need to consider the relevant law, rules and industry guidelines. The relevant rules, set up by the Financial Conduct Authority, say that an insurer must deal with a claim promptly and fairly. So, I've thought about whether Intact acted in line with these requirements with how they handled Mrs K's claim.

At the outset I acknowledge that I've summarised her complaint in far less detail than Mrs K has, and in my own words. I'm not going to respond to every single point made.

No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. The rules that govern the Financial Ombudsman Service allow me to do this as it's an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I'm satisfied I don't need to comment on every individual point to be able to reach an outcome in line with my statutory remit.

I've addressed the three main areas separately below.

AA

Having reviewed what happened in relation to alternative accommodation, I don't think Intact has done anything wrong. Whilst Mrs K was moved to different hotels, this was due to hotels being full. This can happen and is out of Intact's control.

Mrs K also moved back into her property which wasn't habitable. This was due to Mrs K being concerned about the AA budget. If Intact had been aware of Mrs K moving back into her property, I'd have expected them to arrange further AA for Mrs K. I've not seen any evidence that shows Intact were aware of Mrs K moving back into her property though.

However, Intact has agreed Mrs K didn't stay in the Ritz and this was an error. Intact has agreed to write to Mrs K to apologise for the error and the distress it caused. I think this is fair in the circumstances.

Communication & delays

Intact has accepted there were some delays which led to the completion date being delayed being put back. Intact offered Mrs K £200 compensation. Our investigator didn't think the compensation offered was enough and they increased the compensation by a further £200, making it £400 in total.

Whilst I appreciate the claim has taken longer than both parties would have wanted, I can't hold Intact responsible for all of these delays. There were times when ordered items arrived damaged and needed to be reordered. This caused a delay but isn't Intact's fault. There were also occasions, where Intact were waiting for information or selections from Mrs K.

I've also considered the communication from Intact. Overall, I don't think there were many issues here. Whilst there were occasions where Mrs K couldn't get hold of the loss adjuster, this was due to annual leave or unexpected short-term illness. I don't think it would be fair to hold Intact liable for these issues.

Having considered the claim holistically, I agree that there were some avoidable issues. However, I think the £400 compensation awarded by our investigator is fair for the trouble and upset caused in the circumstances.

Quality of work

Mrs K has said she felt Intact were trying to reduce claim costs as much as possible. As an insurer, I don't think it's unreasonable for an insurer to do this, as long as the repair is lasting and of a good quality.

Mrs K complained about the ceiling not being replaced and was only repaired. I've not seen anything to suggest this wasn't an adequate thing to do in the circumstances. So, I don't think Intact has done anything wrong.

Whilst Intact were originally looking to retain the radiators as they don't think they were

damaged, they were listed on the schedule of works to be replaced. I don't think it was unreasonable for Mrs K to raise this with Intact. I believe the radiators have now been replaced with new ones although this caused a slight delay. This was considered in the compensation above.

Intact has only paid a contribution towards the external decorating costs. This was because the render was only partially damaged and was in a poor condition. They didn't think they'd be able to paint over the render as it was starting to degrade. From what I've seen, this doesn't seem unfair and I've not seen anything to dispute it.

Mrs K has raised about "ugly" holes drilled in her new tiles for the radiator pipework. This doesn't appear to have been raised with Intact prior to the complaint. As such, they hadn't had an opportunity to investigate it and review further. Intact have said they're happy to review this, through the contractor that completed the work. I think this is fair in the circumstances.

The oven broke over Christmas, however, this has been confirmed as a manufacturing fault. Whilst I empathise with Mrs K and the impact this would have had on her family's Christmas, this isn't something Intact are responsible for. So, I don't think they've done anything wrong.

Mrs K has been suffering from water pressure issues. This is due to the new items in the property which Mrs K chose. It's also been noted that her boiler isn't well maintained and this is also contributing to the issues. Whilst they don't think the boiler was damaged in the fire, Intact has offered Mrs K £1,500 towards the cost of a new boiler. Mrs K wants the whole boiler replaced. However, I've not seen any evidence to support the boiler was damaged by the fire. I don't think Intact need to replace the boiler and I find their offer of £1,500 as a goodwill gesture fair in the circumstances."

I set out what I intended to direct Intact to do to put things right. And gave both parties the opportunity to send me any further information or comments they wanted me to consider before I issued my final decision.

Responses to my provisional decision

Mrs K confirmed she was happy with my provisional decision. However, she provided an email which she said showed RSA were aware she'd moved back into her property which was uninhabitable.

Intact didn't confirm either way whether they accepted the outcome or not. However, they did confirm they had nothing further to add.

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.

I've thought carefully about the responses to my provisional decision. Having done so, my conclusions remain the same. I'll explain why.

I've reviewed the email from Mrs K, whilst it confirms she's moved back into her property, it also sets out about difficulties in finding AA. So, at the point this email was sent, Intact were aware she'd moved back into her property, it appears that a search for appropriate AA was ongoing. I'm unable to say that Intact weren't taking action to get Mrs K into AA based on this email.

Putting things right

To put things right, Intact should do the following:

- Write a letter of apology for incorrectly stating Mrs K and her family stayed in the Ritz as AA.
- Pay Mrs K a total of £400 compensation for the distress and inconvenience caused.
- Pay Mrs K £1,500 for the gesture of goodwill towards the boiler.

My final decision

For the reasons I've explained above, I uphold this complaint and direct Intact Insurance UK Limited to put things right by doing as I've said above, if they haven't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 22 October 2025.

Anthony Mullins
Ombudsman