

The complaint

Miss C complains about how Intact Insurance UK Limited ('Intact') dealt with a claim she made on her home insurance and says they incorrectly recorded her claim history which caused his renewal prices to be inflated.

What happened

The following is intended as a summary of key events only.

Miss C held an insurance policy with Intact. She said her policy was moved to a new provider (who I will refer to as 'A') in 2024 when Intact stopped offering home cover. A then refused to provide cover which Miss C says was a result of the incorrect claims Intact had recorded against her. Miss C also said her renewal premiums had increased year-on-year due to the incorrect claims.

Miss C was also unhappy with how Intact had dealt with a claim she wanted to make under her home emergency cover and says they handled it as an accidental damage claim instead and declined it. Additionally, Miss C said Intact had ignored her rights under the policy, mishandled her personal data, and failed to properly investigate her concerns. She explained she'd been the victim of identity theft and hacking, and this had complicated her attempts to correspond with Intact. She raised a complaint setting out her points to Intact and said she wanted them to refund her £108 window repair costs, as well as refund around £200 of premium renewal increases. She also asked for Intact to remove all incorrect claims from her records, issue an apology, and compensate her for stress and health impacts she said Intact had caused.

Intact considered the complaint and upheld it in part. They said they accepted there had been mistakes in how some claims had been recorded, and said duplicate claims had been entered in error when raising payments under a legal expenses claim Miss C had made. But Intact maintained there was no evidence to suggest these claims had been added deliberately or maliciously to hit internal targets. In respect of the window claim Miss C said Intact handled incorrectly, they said they had correctly declined the claim as an accidental damage claim not as home emergency, because home emergency would only apply where the property was insecure or further damage was likely to occur.

Intact did however accept that Miss C should have been better informed about what was required to assess cover under the policy and that she had received some letters in error about a contract and payment demand, which had caused confusion and upset. Intact concluded that they would be removing the incorrect claims records from external claims databases and awarded a total of £600 compensation for any distress and inconvenience caused by the incorrectly recorded claims.

Miss C wasn't happy with Intact's reply to her complaint. She said the broken window incident should have been covered under her home emergency clause, incorrect claims remained on her record, and that the compensation offered didn't reflect the scale of the distress and financial loss she'd suffered. Miss C then brought the complaint to this Service and an Investigator looked at what had happened. The Investigator identified that Miss C's

complaint focused on three key issues; the broken window claim, how Intact had recorded Miss C's claim history, and premium increases.

On the first issue, the Investigator felt that Intact was entitled to treat the broken window issue as accidental damage rather than a home emergency, because the property hadn't been left insecure and there was no ongoing risk. The Investigator said the policy wording required a home emergency to be something making Miss C's property unsafe or uninhabitable, and that she felt that wasn't the case here. On that basis, the Investigator concluded Intact had fairly declined the claim.

On the second issue, the investigator said Intact hadn't done enough to ensure external claims databases were accurate. She said this was because Intact's final response said only four claims should be shown, but their later evidence had shown five claims, with some inconsistencies in the dates. The Investigator recommended that Intact should recheck and amend any external claims databases to ensure only the correct four claims were showing.

On the third issue, the Investigator said she wasn't satisfied that Intact had "price-walked" Miss C or increased her premiums unfairly. She said Intact's explanation that any price changes in Miss C's yearly renewal premiums reflected broader market trends and inflation was persuasive, and that she was satisfied Intact had charged similar rates to other customers in similar circumstances. But the Investigator also concluded that she didn't think Intact had acted fairly overall. She said Intact had caused distress and inconvenience to Miss C due to the claim reporting errors and prolonged correspondence. The Investigator said that, while Intact had already paid £600 compensation, they should increase this by a further £100 to reflect the overall impact Intact's actions had caused.

Intact agreed with the Investigator's recommendations but Miss C did not. She provided a detailed and lengthy reply, the main points of which were:

- She had £200 home emergency cover, and the window issue fell within that section of the policy cover.
- She said Intact was wrong to log the claim under accidental damage.
- She never intended to make a claim, and Intact had no legal right to record one.
- Intact continued to maintain inaccurate claim information on external databases and this was a regulatory and data protection breach. Miss C said this had caused her financial detriment through increased premiums and difficulties obtaining new insurance cover.
- Intact's correspondence had been dismissive and misleading.
- The broken window incident should be covered under home emergency and the £108 costs refunded to her.
- Intact should be directed to refund £200 for renewal price increase due to the incorrectly recorded claim history, which should be corrected.
- She felt further compensation of around £1,000 should be paid due to ongoing distress and data issues she had experienced.

The Investigator subsequently wrote to Miss C to address her response and explained that she'd reviewed her further submissions but wasn't persuaded to reach a different conclusion. The Investigator also said there was no evidence that the claims Intact recorded had increased Miss C's premiums with other insurers and also outlined why questions of legality and whether an insurer had acted unlawfully fell outside of this Service's remit to consider.

Miss C asked for an Ombudsman to consider the complaint – so, it's been 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.

Having done so, I've reached the same overall conclusions as the Investigator for substantially the same reasons. I appreciate this isn't the outcome Miss C was hoping for, so I've set out my reasons for this below.

I'd like to start by reassuring Miss C that I've intentionally summarised the background to this complaint, so not everything that's happened or been argued is set out above. Miss C's submissions are both detailed and lengthy. And while they have been very helpful in me understanding this complaint and I thank Miss C for them, both parties are aware of these, so I do not intend to repeat their detail here again. This isn't meant as a discourtesy, it simply reflects the informal nature of this Service.

Additionally, I should set out that it's not for this Service to make findings on whether an insurer has acted unlawfully, as that would be for a court to decide, should Miss C wish to pursue the point. Instead, the rules of the Service require me to take into account relevant regulations, rules, guidance and standards, and codes of practice when deciding what I consider to be fair and reasonable in all the circumstances.

So, while I've read and considered everything that's been provided; I haven't commented on each and every point made, or piece of evidence provided. Instead, I will focus on the key points I need to think about in order to reach a fair and reasonable conclusion. Much like the Investigator, I consider the main issues of this complaint to be the broken window claim, how Intact recorded Miss C's claim history, and premium increases. I've addressed each of these in turn below, for ease of reference.

Broken window claim

The crux of this part of the complaint is that Miss C says the broken window issue should have been dealt with under the home emergency section of the policy rather than accidental damage. Having considered all of the available evidence, I've reached the same conclusion as the Investigator; and I find that Intact was entitled to record and assess the incident under the building section of the policy, rather than as a home emergency claim.

The relevant policy terms say Intact will pay *“up to £200 for urgent assistance to make your home safe and secure.”* But the evidence demonstrates the damage was limited to an internal pane of a double-glazed window, so I don't think it can be shown that Miss C's property was left insecure or exposed to further damage. From looking at the policy's terms, the home emergency section is designed to assist in urgent situations, where a sudden event makes the insured property unsafe or uninhabitable and immediate action is required to prevent further loss. I don't think that was the case here.

Additionally, while Miss C has said she never intended to raise a claim, so Intact has no right to record a claim at all, I don't find that Intact acted unfairly by recording one. Miss C repeatedly has referred to making a home emergency claim, so I think it was reasonable for Intact to treat her enquiry as a claim, even if they later declined to cover it.

I do however accept that the service Miss C received could have been better. The call handler should have explained more clearly that the home emergency cover wouldn't apply unless the property was insecure, and that Intact would need a clear cause of damage in order to consider cover under the building section of the policy. But I think this is a matter of poor communication, rather than unfair treatment. It follows that I do not think it would be fair

to direct Intact to refund the cost of repair of the window or to treat it as a claim under the home emergency section of the policy.

Claim history

This part of the complaint focuses on how Intact recorded Miss C's claim history on external databases; specifically, the Claims and Underwriting Exchange ("CUE"). It's not in dispute that a number of claims were incorrectly recorded on Miss C's CUE record. And Intact has now accepted that some duplicate legal expenses claims were entered in error when their systems processed new invoices for payment, which created separate entries rather than updating the existing claim record. But I've not seen any persuasive evidence to show this was deliberate or malicious. And I'm satisfied this was a genuine administrative error, which Intact has now corrected.

I can see the Investigator previously set out that they felt the CUE records did not match the information Intact provided and said that Intact's final response outlined that only four claims should be recorded on CUE. I've considered the available evidence, and I can see that the CUE information Intact provided shows a total of five claims against their four listed in their final response. The Investigator said that Intact should recheck the data to make sure all information held on CUE, as well as any other similar databases, was accurate and up to date. Intact has agreed to do this. So, I think that this is a reasonable and proportionate step for Intact to take to ensure this particular complaint point is concluded.

Premium increases

In respect of Miss C's increased insurance premiums, I don't think Intact should be required to refund these. It's important for me to outline that it's not this Service's role to dictate to an insurer what they should charge customers for an insurance policy. This is a decision for them to make based on established underwriting criteria. So, the price they charge, and the methods used to calculate premiums, are a commercial decision for them to make. A wide range of factors are considered, and each insurer will have their own approach and appetite for taking on risk. As such, my role isn't to determine whether Intact's pricing decisions were commercially justified, but whether they treated Miss C fairly when they applied them.

Intact has provided their underwriting information to show how they calculated Miss C's renewal premiums each year. This information is considered commercially sensitive, so I can't share it. However, I've considered it carefully and I'm satisfied it shows an established process when calculating Miss C's premiums which resulted in an increase at each renewal which was not the result of her incorrectly recorded claims history. And I'm also satisfied it was done in a way which is consistent with other customers generally.

While I understand why Miss C feels the timing of the errors coincided with her increased premiums and ensures premium calculations can depend on a variety of factors, including market conditions, inflation, and general claim trends. I've considered the available evidence very carefully, as I appreciate Miss C's concerns over whether she was "price-walked". But having done so, there's no indication Intact "price-walked" Miss C or treated her any differently to their other customers.

I therefore can't reasonably conclude that Intact applied their pricing strategy in an unfair manner. Ultimately, insurers are entitled to assess risk and apply rating factors when offering a policy. And while I understand Miss C feels it was unfair for her to pay more for cover, the premiums themselves weren't charged in error, and Miss C retained the right to seek alternative cover at each renewal if she chose to.

In respect of Miss C's concerns that the incorrectly recorded claims history increased the cost of her insurance with other insurance providers, I note that she hasn't provided any evidence from her new insurer that the information recorded on CUE caused a material increase to her premiums. Without any persuasive evidence of this, I can't reasonably conclude Miss C has been caused any financial loss beyond inconvenience and worry the incorrect claims would have understandably caused her. Should Miss C obtain evidence from her new insurer confirming that their pricing or underwriting decision was affected by her claim history recorded by Intact, I would expect Intact to consider this as a new complaint.

What was the impact

Miss C has described in detail how this matter has affected her over a long period. She said that having incorrect claims recorded against her name caused her significant stress, worry, and loss of confidence in her insurer. She's also said she believes these errors led to higher insurance costs with other providers and that the situation was made worse by delays in resolving her complaint and difficulties communicating with Intact.

I don't doubt that this experience was upsetting for Miss C, and it's understandable she felt anxious about the impact of the incorrect claims and frustrated by the time it took to put things right. I also accept that Intact's communication was poor at times, including letters sent in error and the need to repeatedly chase for updates. As such, I think Miss C's distress and inconvenience stemmed mainly from delays and uncertainty involved in correcting her data, rather than any proven financial impact. And this means any award I make reflects the time, worry, and frustration Intact's handling caused, rather than compensating for an unproven financial loss.

Putting things right

In respect of awarding compensation, it's important for me to highlight that a compensation award isn't intended to fine or punish a business, it's to recognise the impact the business' actions have had on their customer in a particular complaint. So, I've thought about how Miss C was impacted and what I think is a fair sum to put things right. I can see that Intact has already made a total offer of £600 and that the Investigator recommended an additional sum of £100, as well as asking Intact to reconfirm Miss C's CUE records are accurate. So, I need to decide whether that's enough to put things right.

I've weighed up the testimony provided by Miss C, the available evidence, and the length of time the process took overall. Taking everything together, I'm satisfied directing Intact to recheck Miss C's CUE records for accuracy, as well as paying a total compensation award of £700 is a fair and reasonable conclusion to recognise the distress and inconvenience they caused.

I appreciate this may not be the level of compensation Miss C had hoped for, and it may not ultimately change matters for her, given the larger concerns over the claim process itself and how Intact handled things. But I consider it to be in line with the level of compensation appropriate to these issues, and I'm satisfied this produces a fair and reasonable outcome in this particular complaint.

My final decision

For the reasons I've given above, my final decision is that I uphold this complaint in part. I direct Intact Insurance UK Limited to:

- Recheck the CUE database and ensure that it matches the four claims that they said

should be recorded in their final response.

- Pay a total of £700 compensation for distress and inconvenience (less any sums already paid).

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 11 November 2025.

Stephen Howard
Ombudsman