

## **The complaint**

Mr and Mrs S are unhappy with the way INTACT INSURANCE UK LIMITED handled a claim under their home insurance policy and that it didn't renew the policy.

## **What happened**

In June 2024 Mr and Mrs S made a claim to Intact Insurance when two rooms in their basement were flooded due to heavy rainfall.

Intact Insurance accepted the claim. It took several months to dry the property as the cause of water getting in had to be investigated. In October 2024 it appointed a contractor to restore the property to its pre-loss condition.

The contractor said they needed to hack off the plaster on one wall to check for any remaining damp. In doing so, they broke the seal in the basement tanking. There was a dispute as to whether Intact Insurance should pay for replacement tanking.

Mr and Mrs S complained to Intact Insurance about the damage its contractor had caused to their home and their unprofessional behaviour. The complaint included the following points:

- Their stair carpet had been ruined because the contractor hadn't properly protected it when stripping out the property.
- The lounge flooring had been similarly damaged.
- The contractor had caused two further water leaks.
- The contractor had drilled holes in their bathroom and kitchen walls.
- They'd caused plaster damage to Mr and Mrs S's car.
- The roof of their garden office had been damaged by the contractor throwing tools on it.
- Mr S had had to leave work early on three occasions due to damage being caused by the contractor.
- Intact Insurance hadn't contacted them about the renewal of their policy.

In a final response letter dated 16 June 2025 Intact Insurance accepted that they'd received poor service with the repair works and paid them a total of £1,000 compensation. It said it was Mr and Mrs S's responsibility to renew their home insurance policy.

Mr and Mrs S brought their complaint to our service. Our Investigator upheld the complaint. He recommended that Intact Insurance should continue with the work required to restore the property to its pre-loss condition without further delay. He didn't think Mr and Mrs S should have had to chase up the renewal as they'd been told that the policy would automatically renew. He thought Intact Insurance should pay Mr and Mrs S a further £500 compensation.

Intact Insurance accepted our Investigator's recommendations. Mr and Mrs S didn't think the compensation was enough for the trouble that they'd been caused by the damage to their home. They also said Mr S who is self-employed had lost earnings through having to return home to sort out the various issues which had arisen with the contractor.

## **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.

In this decision I'm only looking at how Intact Insurance handled the claim up to 16 June 2025 being the date of its final response letter. If Mr and Mrs S are unhappy with the way their claim has been handled after that date, they should complain to Intact Insurance.

The background of this complaint is well-known to the parties and I don't intend to set it out in detail here. But I have carefully considered all the information provided to us and the impact of Intact Insurance's poor service on Mr and Mrs S.

To its credit Intact Insurance accepted that the service provided to Mr and Mrs S fell below what they were entitled to expect. So I need to consider the appropriate level of compensation that should be awarded. I've looked at how Intact Insurance made the claim experience more difficult and stressful for Mr and Mrs S than it needed to be. Having done so, I think the sum of £1,500 is fair compensation. I'll explain why.

I agree that the work carried out by Intact Insurance's contractor was sub-standard. Considerable damage was caused to parts of Mr and Mrs S's home which would naturally have been upsetting for them to see. A year after the claim started, Mr and Mrs S were still unable to use their basement rooms which had no electricity or heating. The rest of their home was damp and mouldy. They had no access to a downstairs bathroom as they were using that to store items from the basement. All in all, their home was in a worse state than when the loss first happened. I've also noted the fact that Mr S had to leave work early on at least three occasions because of problems caused by Intact Insurance's contractor.

I haven't seen the letter which Intact Insurance say was sent to Mr and Mrs S about the renewal of their policy. As they were told in 2024 in writing that they wouldn't have to worry because their policy would automatically renew, I think it was unfair of Intact Insurance to say that it was their responsibility to chase the renewal. I have taken the trouble and upset caused by this into account when looking at compensation.

Whilst I have taken into account the individual facts of this case, I must also consider what is fair compensation in line with this service's guidelines for making an award for compensating trouble and upset. These guidelines are available on our website.

Compensation of up to £1,500 is what we award when the impact of a business's mistake has caused substantial distress, upset and worry. There may have been serious disruption to daily life over a substantial period, with the impact felt for many months. Based on everything I've seen, I think Mr and Mrs S's experience falls into this category. I think an award of £1,500 in total is appropriate for the trouble and upset caused to them by Intact Insurance. This is inclusive of any amount of compensation already paid by Intact Insurance.

I also agree with our Investigator that Intact Insurance should finish the work required to restore the property to its pre-loss condition without further delay.

## **Putting things right**

To put things right I think Intact Insurance should:

- Pay Mr and Mrs S a further £500 compensation (bringing the total amount of compensation to £1,500); and
- finish the work required to restore the property to its pre-loss condition without further delay.

### **My final decision**

For the reasons explained above I uphold this complaint and require INTACT INSURANCE UK LIMITED to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S and Mrs S to accept or reject my decision before 24 February 2026.

Elizabeth Grant  
**Ombudsman**