

The complaint

Miss F complains that INTACT INSURANCE UK LIMITED (“INTACT”) mishandled a claim on a motor insurance policy.

What happened

From about September 2022, Miss F got a new vehicle on hire from a company specialising in providing vehicles for people living with disabilities. I will refer to that company as “the operations company”. The hire was for a minimum of three years and a maximum of five years.

For the duration of the hire, an insurance company insured the vehicle. That company is now part of INTACT, so I will refer to it by that name.

Unfortunately, Miss F reported that on 29 June 2023 a third party’s vehicle had damaged her vehicle.

From late June 2023, Miss F incurred a financial outlay on taxis.

INTACT arranged repair of the vehicle and incurred a financial outlay on that.

By a letter dated 10 July 2023, INTACT asked Miss F to email it taxi receipts.

By early August 2023, Miss F said she had incurred a financial outlay on taxis of nearly £1,800.00.

Miss F complained to the operations company about taxi costs.

On about 14 August 2023, the operations company raised Miss F’s complaint with INTACT.

Miss F complained to INTACT about delay and poor communication in the repair.

By a final response dated 17 August 2023, INTACT offered Miss F £100.00 for delay and poor communication in the repair.

That final response also included the following:

“Our recoveries team are handling your claim in respect to making a claim from the third party insurance company and will be in touch with you once they have any relevant updates.”

On about 19 August 2023, INTACT paid Miss F £100.00.

By a final response dated 15 September 2023, the operations company said it had reimbursed Miss F £900.00 for taxi costs.

Miss F made a claim through solicitors against the third party including for compensation for injury.

In late August 2024, INTACT through its solicitors, recovered its outlay from the third party's insurer. But INTACT didn't tell Miss F.

On about 19 September 2024, INTACT closed the claim and recorded it as not a fault claim against Miss F. But INTACT didn't tell Miss F.

By a letter dated 30 September 2024, INTACT told Miss F it had settled the claim.

By an email dated 1 October 2024, Miss F complained to INTACT that it had settled the claim without communicating with her.

Within eight weeks of 1 October 2024, INTACT didn't provide a final response.

Miss F brought her complaint to us in early April 2025.

On about 9 July 2025, INTACT made a settlement offer through us to Miss F. The offer was of £50.00 compensation for not letting her know about the closure of the claim and a further £50.00 compensation for delay in formally responding to her complaint.

Our first investigator said on about 10 July 2025 that we couldn't investigate the complaint about taxi costs because Miss F hadn't, after the final response dated 15 September 2023, brought the complaint to us within six months.

Our first investigator said that we couldn't investigate the complaint about the injury claim because Miss F hadn't made such a complaint to INTACT.

Our second investigator said in early September 2025 that we couldn't investigate the complaint about taxi costs because it wasn't within our jurisdiction. He recommended that INTACT should pay the £100.00 it had offered. He didn't think that there was any lasting or prolonged impact which caused further issues for Miss F in relation to this matter.

Miss F disagreed with the investigators' opinions. She asked for an ombudsman to review the complaint. She says, in summary, that:

- INTACT did not communicate with her, and she was waiting to receive the outcome of the claim. As such, she could not reasonably act while awaiting their decision: to do so would have been premature.
- She suffered financial losses.
- She suffered distress and inconvenience over a prolonged period. £100.00 is unreasonable.

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.

Scope of this decision

Miss F is not pursuing her complaint about delay and poor communication in the repair, which INTACT answered by its final response dated 17 August 2023.

I consider that the final response dated 15 September 2023 was from the operations company and not on behalf of INTACT. So I don't consider that the final response dated 15 September 2023 means that Miss F was too late to bring us that part of her complaint about INTACT that relates to taxi costs.

I consider that Miss F's complaint to INTACT in October 2024 was that it had damaged her claim against the third party. I consider that this included her claim for injury.

Miss F complained to her solicitors. I've seen a final response from them dated April 2025 and setting out her right to escalate the complaint to the Legal Ombudsman. Miss F has told us that she has escalated her complaint to the Legal Ombudsman. So I can't comment on the performance of her solicitors.

This decision

INTACT's terms allowed it to defend or settle a claim in the name of the insured person.

However, INTACT was pursuing a claim against the third party for its own outlay.

I consider that it was the operations company rather than INTACT that was responsible for providing a replacement vehicle for Miss F or covering her taxi costs. The taxi costs were uninsured losses. The operations company reimbursed some of them.

From what I've seen, in mid-March 2024, Miss F's solicitors told her that they had concerns about her prospects of success against the third party and they declined to proceed under a conditional fee ("no win, no fee") agreement.

I haven't seen any evidence that Miss F instructed her solicitors to act for her on a fee-paying basis or that she instructed other solicitors or that she took any other steps to pursue her claim against the third party after mid-March 2024.

I don't find it reasonable that Miss F would think that she could still wait for INTACT to pursue the third party for her uninsured losses including taxi costs.

I consider that Miss F had abandoned her claim against the third party in late March 2024.

That's long before INTACT settled its claim with the third party in late August 2024. So, whilst I don't condone its delay until late September 2024 in telling Miss F, I don't accept that this delay caused her any financial loss.

I accept that the delay of about a month irritated Miss F when she found out about it.

INTACT apologised, but it didn't comply with the Financial Conduct Authority's requirement to send a final response within eight weeks.

Putting things right

Nevertheless, INTACT belatedly tried to put things right with its offer totalling £100.00.

Keeping in mind the nature and duration of the impact on Miss F, I consider that this was fair and reasonable and in line with our published guidelines for compensation for distress and inconvenience.

So I conclude that it's fair and reasonable to uphold this complaint in part and to direct INTACT to pay Miss F £100.00 for distress and inconvenience.

My final decision

For the reasons I've explained, my final decision is that I uphold this complaint in part. I direct INTACT INSURANCE UK LIMITED to pay Miss F £100.00 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss F to accept or reject my decision before 10 December 2025.

Christopher Gilbert

Ombudsman