

The complaint

Ms B, Mr R and Mrs R (PH's) complain about how a claim was settled by Intact Insurance UK Limited on their buildings insurance policy.

What happened

PH's have properties in the same building. They have a joint buildings insurance policy with Intact. In October 2020, their properties suffered damage following a storm. A claim was raised and partially accepted. Damage to the roof was declined due to wear and tear but internal damage to Ms B's property was accepted due to accidental damage being covered under the policy. Remedial work was completed in mid-2021 with claim payments made to Ms B's managing agent.

In 2024, Mr and Mrs R queried the claim settlement. They were unhappy their roof wasn't covered and payment had been made without their knowledge or consent. Intact didn't think they'd done anything wrong. However, they awarded £50 compensation due to giving some incorrect information about the excess. Mr and Mrs R were still unhappy and brought the complaint to this service. Ms B also consented to the complaint being reviewed.

Our investigator didn't uphold the complaint. They didn't think Intact had done anything wrong in regard to the claim. PH's appealed. They raised the following points:

- Lack of transparency
- Misdirected payment
- Contradictory insurer documentation
- Data integrity concerns
- Unsupported reclassification of the claim

As no agreement could be reached, the complaint has been passed to me to make a final decision.

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.

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, and not unreasonably decline it. So, I've thought about whether Intact acted in line with these requirements with how they've handled PH's claim.

Having done so, and whilst I appreciate it'll come as a disappointment to PH's, I've reached the same outcome as our investigator.

At the outset I acknowledge that I've summarised their complaint in far less detail than PH's have, 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'll respond to each of the points raised by PH's in response to our investigator's view separately below for ease:

Lack of transparency

PH's have said they've not been provided with any loss adjuster reports or internal assessments justifying the exclusion of the roof. PH's have also raised a subject access request to attempt to get this information, however, were informed due to a system issue, this information was no longer available.

Intact have provided us with their claim notes. There is an entry from the date they received a report on the claim. It states the following:

"Report – wear and tear – water ingress from the flat roof above the ground floor flat's lounge, causing water damage to the cornice, plaster to walls and the wooden surround to the French doors leading to the back garden. Due to wear and tear, the flat felted roof has lifted and split in places, allowing water ingress to the ground floor flat..."

Action taken: No cover to externals due to wear and tear but PH has AD cover so we can consider the internals."

Whilst I would have expected Intact to still have a copy of the report, it's no longer available due to a system issue. It's clear from the claim notes the reason for declining damage to the externals. Whilst I know PH's want to appeal the claim outcome, this was raised almost four years after the damage occurred and had been repaired. I've not been provided with any evidence from PH's to suggest the damage to their roof wasn't as a result of wear and tear. So, based on the lack of evidence available it's not possible to reassess the claim further. Just because the report Intact got at the time is no longer available, I don't think this should mean the claim is payable.

Misdirected payment

The payment for the internal repairs was paid to Ms B's managing agent (MA). The MA was responsible for arranging the repairs for Ms B. Mr and Mrs R have said the payment should have been paid to them as the main policyholder. They've also said consent should have been sought from all PH's for the payment to be paid.

On the policy schedule applicable during the period of loss, Mrs R is listed as the policyholder. However, Ms B and Mr R are also listed below her as joint policyholders. I can't see that the schedule names a main policyholder. However, even if it did, I don't think this would mean Mrs R would be automatically entitled to any payment.

It's clear from the claim notes that the external damage was being declined and it was only internal damage accepted. The internal damage was only to Ms B's property. So, I don't think it was unfair or unreasonable to make payment for this to Ms B's MA without consent from Mr and Mrs R.

Mr and Mrs R have raised that on a separate claim for subsidence, consent has been requested from all PH's. However, this claim is different as it likely effects both properties

and isn't just limited to one, like in this case. So, the circumstances are different.

Mr and Mrs R have also raised about contributing to the excess for the internal damage. Intact didn't ask Mr and Mrs R for payment of the excess, this was from Ms B's managing agent. This would be a civil matter between Mr and Mrs R and Ms B/her managing agent. This isn't something Intact are involved in or have done anything wrong.

Contradictory insurer documentation

PH's have said their policy documents list both addresses under the storm claim. They say this means their property should have been covered under the claim. Whilst I accept the policy documents do list both properties, I don't agree with PH's about what this means for the claim. The damage caused to Ms B's property was as a result of a storm. The property covered under the policy is both Ms B's and Mr and Mrs R's properties. I don't think how it's been recorded on the documents is unreasonable. The claim notes are clear that only Ms B's property was covered under the claim.

PH's have also queried about a storm claim that was recorded from 2018. This isn't relevant to this complaint. Should PH's be unhappy with this, they'd need to raise it with the insurer at the time.

Data integrity concerns

This point is to do with the system issue which meant no reports are available for the roof damage. I've already covered this off above. Should PH's remain concerned with Intact's response to their subject access request, they'd need to take it up with the Information Commissioner's Office.

Unsupported reclassification of the claim

PH's have said the classification of the claim has swapped between being storm damage and accidental damage. Whilst this may be the case, as I've set out several times, this doesn't mean the roof should be covered under the claim. I've seen no detriment to PH's for the claim classification changing. I don't see the claim being recorded under either as being unreasonable.

I'm very sorry that my decision doesn't bring PH's more welcome news. But in all the circumstances I don't find that Intact has treated PH's unfairly, unreasonably, or contrary to the policy terms and conditions in how the claim has been settled.

It has been confirmed that the £50 compensation hasn't been paid yet. So, I do intend to tell Intact to make payment of this.

Putting things right

To put things right, Intact should pay PH's £50 compensation for the distress and inconvenience caused.

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 Ms B, Mr R and Mrs R to accept or reject my decision before 5 March 2026.

Anthony Mullins
Ombudsman