

The complaint

Mr and Mrs W complain about INTACT INSURANCE UK LIMITED's decision to decline a claim, and the information it provided, under a home insurance policy.

Mr and Mrs W are joint policyholders, but most of the communication under the complaint has been from Mr W. So I'll refer mainly to Mr W in my decision.

What happened

Mr W took out a policy online with Intact in July 2020 (inception). This renewed yearly, including in 2024.

In June 2025, Mrs W lost an earring (one of a pair) while decorating inside the home. Intact declined this decision as accidental loss was only covered under 'out and about' cover, and Mr and Mrs W didn't have this additional cover under their policy. Mr and Mrs W complained about this decision.

Intact issued complaint responses in July and August 2025. It maintained its decision to decline the claim, and explained the general contents cover didn't include accidental loss within the home. Intact accepted it had included incorrect policy wording in its first complaint response, so it paid £50 compensation for the confusion caused.

Mr W referred his complaint to the Financial Ombudsman Service. He said the circumstances amounted to accidental damage, and 'out and about' cover didn't apply as the loss was within the home. Mr W also said Intact failed to disclose material changes about the 'out and about' cover that affected his understanding of the cover overall.

The Investigator didn't uphold the complaint. They said Intact fairly declined the claim as Mr W didn't have cover for accidental loss. They also said Intact provided the information it needed to, about the optional 'out and about' cover. Finally, they said the £50 compensation Intact paid for the confusion it caused, was fair.

Mr W didn't agree. He maintained Intact didn't provide information to him about changes to cover, until after the claim. He felt the loss would've been covered under previous policies, prior to the change, and Intact didn't communicate this change.

Because the complaint couldn't be resolved, 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.

Mr W has provided a lot of information in support of his complaint. I assure Mr W that I've taken everything he's provided into account. But in this decision I've focused on what I think are the key issues in this complaint. No discourtesy is intended by this, but it simply reflects the informal nature of the way that the Financial Ombudsman Service reviews complaints.

When referring to policy documents and terms, I've made sure they apply to the property relevant to the claim referenced above. I understand there was some earlier confusion, so I've taken care to make sure what I've reviewed, is relevant to the claim and complaint.

Claim decision

I've reviewed the policy documents and terms that applied to the claim in 2025. Having done so, I'm satisfied that accidental loss isn't covered under the contents cover Mr W had with Intact. I say this because the terms list the different causes (of loss or damage) covered under the contents section (Section 2), and accidental loss isn't listed. I'm also satisfied Mr W didn't take out the 'out and about' cover (Section 4) that would have covered accidental loss in the home.

Mr W did take out accidental damage cover, and he argues that Mrs W could only have lost the earring through accidental damage, in that the thread on the earring would have had to snap to cause it to come off and be lost. I've not seen evidence to show this is what happened, nor am I persuaded this is likely what happened in the circumstances. And importantly, Mr and Mrs W aren't presenting a damaged item to Intact. Mrs W, when she first reported the loss, described the earring as being lost. So overall, I don't think Intact was required to consider the loss under accidental damage.

It follows that because the cover Mr W had with Intact didn't cover accidental loss, I think Intact acted fairly when it declined the claim.

Original policy

Mr W said the original policy he took out in 2020 didn't require him to purchase 'out and about' cover in order to be covered for loss in the home.

I've reviewed the policy documents and terms from 2020, including the pages Mr W provided. Having done so, I'm satisfied Mr W took out contents cover (Section 2) in 2020, but he didn't take out 'out and about' cover (Section 4). And the contents cover in 2020 didn't include cover for accidental loss in the home. Similarly to Mr W's policy at renewal in 2024, the contents cover in 2020 only covered loss or damage caused by certain listed perils, such as fire, storm or theft. And accidental loss wasn't listed as one of these perils.

I've also not seen evidence to show any other policies, between the above dates, covered accidental loss under the general contents cover.

For the reasons outlined above, I don't agree with Mr W, that his original policy would've covered the accidental loss claimed for in 2025. It follows that I don't consider there were changes to the policy following inception in 2020, that meant he wasn't otherwise covered for the loss suffered in 2025.

Sale and renewal

Intact provided copies of the documentation and terms from inception in 2020 and renewal in 2024. I'm satisfied these took place on a non-advised basis. And having reviewed them in full, I'm satisfied Intact made it clear to Mr W he had contents insurance cover, that covered loss or damage caused by a limited number of insured perils, not including accidental loss. I'm also satisfied Intact made it clear to Mr W 'out and about' cover was an optional available cover, which Mr W hadn't taken out, that would cover accidental loss.

So overall, I'm satisfied Intact did give Mr W information setting out the key features of the policy. And it was for Mr W to decide whether the policy was suitable or not (and whether he

wanted to take out the optional cover). It follows that I don't agree Intact failed to disclose information to Mr W that led to him suffering a loss (having a claim declined that otherwise wouldn't have been).

Compensation

In responding to Mr W's complaint, I can see Intact did include the incorrect terms when outlining why the claim wasn't covered. I agree this would've caused Mr W avoidable confusion, but I consider the £50 compensation Intact paid to be fair and reasonable in the circumstances. So I won't direct it to pay anything else.

My final decision

For the reasons outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W and Mrs W to accept or reject my decision before 30 April 2026.

Monjur Alam
Ombudsman