

The complaint

Miss C and Mr E complain that Intact Insurance UK Limited ('Intact') unfairly declined a claim they made on their property insurance policy.

Miss C has acted as the main representative during the claim and complaint process. So, for ease of reference, I will refer to any actions taken, or comments made, as those of "Miss C" throughout this decision.

What happened

Miss C held a property insurance policy underwritten by Intact. She contacted them to report damage to the property in December 2025 and said she had discovered the damage in late November 2025. The damage included missing roof tiles, roof deterioration and internal water ingress. Miss C said the damage had been traced back to a serious fire at a neighbouring property in February 2024. Miss C said the property had been left structurally compromised and exposed for a long period of time following the fire.

Intact considered the claim but ultimately declined to cover it. They said the damage had resulted from the February 2024 fire, which had occurred before the inception of Miss C's policy with them. And they said because the policy had begun in July 2025, Intact, said there was no cover in place at the time of the insured event. Intact suggested that Miss C contact the insurer who was on cover at the time of the fire.

Miss C was dissatisfied with Intact's claim outcome and raised a complaint. She said the damage should not become visible or reasonably discoverable until November 2025, during the period of insurance with Intact. She said the loss had developed progressively due to ongoing exposure and water ingress following the fire at the neighbour's property. And she said Intact's handling of the claim had been inconsistent, including references to cancellation and a reliance on a gradually operating cause exclusion before they declined the claim.

Intact issued a final response to the complaint in December 2025 but maintained their claim decision. They said the fire at the neighbour's property in February 2024 was the proximate cause of the damage and because this had occurred before the policy with them began, the claim had been declined fairly. Miss C remained dissatisfied with Intact's response to her complaint – so, she brought it to this Service

An Investigator looked at what had happened but did not recommend the complaint should be upheld. The Investigator concluded that the policy with intact provided cover for insured events which occurred during the period of insurance. And they were satisfied the evidence supported Intact's decision to decline the claim, because the fire was the originating event which gave rise to the damage at Miss C's property but this pre-dated the policy.

Miss C did not agree with the Investigator's conclusions. She maintained that the damage had arisen from an ongoing and worsening situation rather than a single sudden event and said that a strict reliance on the policy inception dates created an unfair coverage gap for her. Miss C also said Intact had not fully engaged with the chronology of events and felt they had treated her unfairly.

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 outcome as the Investigator, and I do not uphold this complaint.

Miss C's policy terms provide cover for insured events which occur during the period of insurance. Miss C's policy ran from 16 July 2025 to 15 July 2026. It is not disputed that there was a fire at a neighbour's property in February 2024, and I can see that Miss C's policy provides cover for fire damage. But the question here is whether that damage is covered by the terms of the policy with Intact. Miss C says the damage only became visible or reasonably discoverable in November 2025, which is during the period of insurance.

However, I'm satisfied that the policy responds to insured events that happen during the period insurance, not to when damage is discovered. While Miss C says the damage became visible in November 2025, I think it's fair to determine what caused that damage. On the evidence I have considered, I'm persuaded it shows that the February 2024 fire was the originating and proximate cause of the damage Miss C later claimed for. And while the effects of that fire may have developed or become apparent later, I haven't seen any persuasive evidence that demonstrates a separate insured event occurred during the policy period with Intact which independently caused its own damage. That means, because the fire occurred before Miss C's policy with intact began, it was not an insured event under that policy. And in those circumstances, I can't reasonably or fairly require Intact to cover the damage under the policy.

I've also thought about Miss C's concerns that this creates an unfair coverage gap, particularly when she did maintain continuous insurance cover. I can understand why she feels that may be the case; however, buildings insurance policies provide cover for events that occur within a defined period. And that approach isn't unusual or unfair within the wider insurance market. I've also thought about Miss C's concerns that Intact's handling of the claim was unfair, specifically in relation to an earlier potential cancellation and then to a gradually operating cause exclusion.

I agree there may have been some inconsistency in the explanations given at an early stage, and I can see intact have acknowledged this in their final response to the complaint and said they were exploring other areas of cover to determine whether the claim could be met. However, I'm ultimately satisfied Intact's final claim position was clear, and they declined the claim because the originating event predated the policy with them. And ultimately, I do not find that any earlier confusion materially affected the overall outcome of the claim.

I appreciate that this won't be the outcome Miss C had hoped for, and I don't underestimate the impact this claim would have caused. But I'm satisfied that Intact acted fairly in declining to cover the claim and I don't find that there is a fair or reasonable basis on which I can direct them to reconsider the claim or make any payments under the policy.

My final decision

For the reasons I have outlined above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C and Mr E to accept or reject my decision before 14 April 2026.

Stephen Howard
Ombudsman