

## **The complaint**

Mrs M complains about Soteria Insurance Limited ("Soteria") for the settlement it has offered on her claim.

## **What happened**

Mrs M previously held home contents insurance with Soteria.

In September 2021, whilst vacuuming, she knocked over a 3ft tall Betty Boop figurine and broke it beyond repair. She submitted a claim to Soteria.

Mrs M did not have proof of purchase or certificates of authenticity for the item. She believed it was worth around £1500 - £2000.

Soteria researched replacement items and concluded that a like for like item was not available. They compared other Betty Boop figurines that were available and considered that these were available for a range of values between £50 and £350.

Soteria therefore offered Mrs M a settlement of £200, minus her £50 excess.

Mrs M was not happy with this and complained. She felt that the figurines used in reaching the offer included much smaller or damaged items.

Soteria responded not upholding Mrs M's complaint. Soteria considered that the way it had reached the settlement offer was fair.

Mrs M complained to us.

Our investigator has looked into this matter and set out her view to the parties. This was that Soteria should increase its offer of settlement to reflect a value of £328. This was because the most comparable items available were new and of similar appearance.

Soteria did not accept that view and asked for an ombudsman 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.

I have considered my colleague's explanation of her view which is thorough and clear. She explains that the policy sets out that settlement will be based on the cost of replacement if the item cannot be repaired.

The investigator further points to the fact that the policy does not provide for a reduction in value for wear and tear of this type of item.

Soteria has not accepted that view and defends the way it has reached settlement in this matter. Soteria has not provided any explanation of why it disagrees with my colleague's

assessment, beyond that it does not agree.

I think that the way my colleague approached finding a comparable item, without comparing to smaller, used condition or otherwise damaged items, is consistent with the policy wording and is fair.

I therefore endorse her approach and agree that Mrs M's complaint should be upheld. Soteria should settle Mrs M's claim at a valuation of £328, from which it may deduct the policy excess.

### **Putting things right**

To put matters right, Soteria must settle Mrs M's claim at a valuation of £328 minus the policy excess.

Soteria must add interest to any outstanding amount at a rate of 8% per annum from the date it originally determined Mrs M's claim up until it settles the remainder of the claim.

### **My final decision**

For the reasons given above, I uphold Mrs M's complaint and direct Soteria Insurance Limited to:

- Settle Mrs M's claim based on a valuation of £328, from which it may deduct the policy excess; and
- Add to the payment due interest at a rate of 8% per annum from the date Soteria initially made its settlement offer for Mrs M's claim, up until the date of settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 6 September 2022.

Laura Garvin-Smith  
**Ombudsman**