

The complaint

Miss S is unhappy Ageas Insurance Limited has declined a claim she made on her contents insurance policy.

What happened

The circumstances of this complaint aren't in dispute, so I'll summarise the main points:

- Miss S got in touch with Ageas after some of her contents were stolen from her home.
- Ageas said the theft hadn't involved force and violent entry to Miss S' home and declined the claim.
- Miss S thought Ageas had misinterpreted the policy wording and the policy term it had relied on didn't apply to her. Ageas maintained its position.
- Our investigator agreed with Miss S' interpretation of the policy term. He thought Ageas had unfairly declined the claim. He said Ageas should settle the claim and pay Miss S £250 compensation.
- Miss S agreed with this. Ageas asked for an ombudsman's decision. It didn't provide any further comment or reasoning to explain why.

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.

The policy covers loss or damage caused by theft, subject to a number of terms and conditions. Ageas has relied on one policy term to decline the claim.

The meaning of this term is in dispute, so I've quoted it exactly as it is in the policy wording. It says:

What we will not cover ... theft not involving forcible and violent entry to, or exit from, your home if you have lent, let or sublet any part of your home, or whilst persons other than your household are staying there.

Ageas said there was no evidence of forcible and violent entry to Miss S' home – and that meant the term applied.

How the thieves gained access to Miss S' home remains uncertain, but I don't think it makes a difference in this case. That's because the term only applies in situations which aren't relevant here.

The term effectively says:

1. If you have lent, let or sublet any part of your home, or if persons other than your household were staying there at the relevant time *and*
2. There wasn't forcible and violent entry to, or exit from, your home *then*
3. Theft isn't covered.

The term is reliant on point 1. Unless Ageas can show the first point is an accurate reflection of Miss S' circumstances, the term is irrelevant to her claim. But Ageas has focused on the second point.

There's no suggestion Miss S had lent, let or sublet any part of her home – or that any persons other than her household were staying with her around the time of the theft. So I'm satisfied the policy term doesn't apply and it was unfair for Ageas to decline the claim.

This is the only reason given for declining Miss S' claim, so the appropriate remedy is for Ageas to settle the claim, subject to the remaining terms and conditions of the policy.

I'm disappointed by the way Ageas has handled this claim. It clearly had its doubts about the meaning of the term.

Its internal notes describe it being 'not entirely happy' with the wording of the term. It referred the matter to its underwriters who said the term meant:

We will cover theft involving forcible and violent entry to, or exit from, your home, if you have not lent, let or sublet any part of your home, or whilst persons other than your household are staying there.

This makes the term inclusive rather than exclusive, which might unfairly change its impact in some cases. Nevertheless, even if I took it at face value, I don't understand how it supported Ageas' decision to decline the claim. This interpretation still relies on my first point above. It has no impact if Miss S lives alone or with members of her household as the entire term only applies *if* she has done otherwise – which she hasn't.

Put simply, neither the term as written in the policy or Ageas' own interpretation of it require forcible and violent entry if Miss S lives alone or with members of her household. She does, so I can't understand how Ageas thought it was fair to decline the claim.

As a result, there has been a significant delay to settling the claim. Miss S has described how upsetting the theft itself was for her. Whilst that isn't something I can hold Ageas responsible for, the distress caused by the unnecessary delay during the claim has made things worse for Miss S and Ageas is responsible for that.

I'm satisfied £250 compensation would be reasonable and proportionate in the circumstances.

My final decision

I uphold this complaint. I require Ageas Insurance Limited to:

- settle the claim, subject to the remaining terms and conditions of the policy
- pay £250 compensation

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 7 October 2022.

James Neville
Ombudsman