

## **The complaint**

Mr P complains about the way QIC Europe Ltd handled a claim under his home insurance policy after a burglary.

## **What happened**

Mr P has a home insurance policy underwritten by QIC which covers his buildings and contents. Very sadly, Mr P's home was burgled in February 2022. He made a claim to QIC for the damage caused and for the loss of some contents and cash.

The background to the complaint is well known to both parties, so I won't give a detailed description of the events here.

Suffice to say, Mr P wasn't happy with the time it took to handle the claim. He didn't think QIC should have declined the claim for some items on the basis that he couldn't prove ownership. And he thought it was unfair to decline the claim for stolen cash (well over £1,000). He was also unhappy with the valuations QIC put on some of the jewellery items that had been stolen.

Mr P complained about this to QIC, and when they maintained their stance, Mr P brought his complaint to us.

Our investigator looked into it. She thought QIC were entitled to decline the claim for the items for which Mr P had been unable to provide proof of ownership. And she thought it was reasonable for QIC to rely on their experts' jewellery valuations, in the absence of any evidence to the contrary.

But she thought QIC should pay the claim for stolen cash, up to the policy limit of £250. And she thought QIC should pay Mr P £100 compensation for his trouble and upset.

Mr P disagreed with this outcome and asked for a final decision from an ombudsman. He thinks the jewellery should be valued independently. And he still takes the view that the claim should be paid for the outstanding items.

QIC also disagreed. In their view, Mr P hasn't provided any evidence that the cash was in his home at the time of the burglary. They don't think it's fair that they should be asked to pay Mr P the £250 – or the £100 compensation our investigator recommended.

## **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.

### *Proof of ownership*

The terms of Mr P's policy are reasonably clear and straightforward. QIC say they may require information and evidence from the policyholder to investigate a claim, including proof of ownership and value.

In various places, they advise policyholders to keep receipts, invoices, bank or credit card statements, guarantee cards, instruction booklets and/or photographs.

It is sometimes difficult – particularly with older or inherited items or gifts – to meet this requirement. But if items, such as jewellery items for example, have been owned for some time, it's not unreasonable to think there might be some photographic evidence to substantiate a claim.

What is clear is that it's not reasonable to expect insurers to settle claims where there is absolutely no proof of ownership. It is a general principle in insurance that it's for a policyholder to establish that they've suffered a loss or damage due to an insured event. And that's very clearly reflected in the terms of Mr P's policy.

So, I don't think QIC have acted unfairly or unreasonably in declining the claim for items for which Mr P hasn't been able to provide proof of ownership.

Of course, if Mr P can provide any further evidence or information to substantiate the loss, I'd expect QIC to take that into account and re-consider the claim. But I can't reasonably conclude at present that QIC have acted unfairly towards Mr P in declining the claim for those particular items.

#### *The stolen cash*

Mr P says there was substantial amount of cash in the house at the time of the burglary and this was stolen. There isn't any real dispute that the policy terms limit a claim for cash to £250 for each separate insured event. So, I can't ask QIC to reimburse Mr P for all of his losses.

However, I agree with our investigator that Mr P has given a credible explanation of how the cash came to be in the house. He says some of it was cash gifts given to his children. And some of it was cash payments made to his wife, who runs her own small business.

QIC say they'd expect to see receipts, bank statements or tax returns to evidence where the money came from. But on balance, I don't think that's reasonable in this particular case, given Mr P's explanation of how the cash came to be in the house.

For those reasons, I agree with our investigator that QIC should settle this part of the claim. And I agree that £100 is fair and reasonable compensation for Mr P given the trouble and upset caused by QIC's refusal of this part of the claim to date.

#### *Jewellery valuations*

QIC had Mr P's jewellery assessed and valued by an expert. They're entitled to rely on that expert's view unless and until there's any evidence to suggest the valuation is incorrect.

There is no such evidence at present. And there's no reason at all to suspect the expert has undervalued Mr P's jewellery.

If Mr P wishes to get a different expert to value the jewellery, from the evidence available, he'd be entitled to do that. And if that expert came to a different view about the valuations, then I'd expect QIC to take that into account and review their position. But I don't think it's fair to ask QIC to obtain and pay for a second, entirely independent valuation.

#### *Delays*

Looking at the evidence we have on file, the majority of the delays in this claim appear to have been caused by disagreements – and/or discussions – between Mr P and QIC. I can't see any real evidence of any substantial delays caused by QIC not responding in a reasonably timely manner to Mr P requests or queries and/or failing to progress the matter internally or with their own contractors.

### **Putting things right**

I'm very sorry that Mr P and his family suffered the break-in at their home. That must have been a very upsetting and unsettling experience.

But I can't reasonably ask QIC to settle a claim for items for which Mr P has been unable to provide any proof of ownership. Nor am I going to require QIC to pay for a further valuation of Mr P's jewellery items.

However, I do think it would be fair and reasonable for QIC to settle the claim for stolen cash, up to the £250 limit set out in the policy.

And I'm satisfied that it's fair and reasonable to ask QIC to pay £100 compensation to Mr P for the trouble and upset he's suffered as a result of their refusal of that claim for stolen cash.

### **My final decision**

For the reasons set out above, I uphold Mr P's complaint in part.

QIC Europe Ltd must:

- settle Mr P's claim for stolen cash at the policy limit of £250; and
- pay Mr P £100 in compensation for his trouble and upset.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 25 November 2022.

Neil Marshall  
**Ombudsman**