

## **The complaint**

Mr M complains about Amtrust Europe Limited's decision to decline a claim made under his furniture insurance policy and about delays in the processing of the claim.

## **What happened**

The background to this complaint is well known to both parties, so I'll provide only a brief summary here.

Mr M has been represented in making this complaint by a family member, but for ease of reference I'll refer below to Mr M providing information to us etc.

Mr M had a five year insurance policy underwritten by Amtrust to cover two leather sofas. The policy was purchased in April 2018 and expired in April 2023.

In late February 2023, Mr M made a claim. He said a family member - a child with autism – had damaged the sofas when he was left unattended briefly. He said the child had got hold of a compass and slashed both sofas.

Amtrust sent three different engineers to assess the claim. There appears to have been some confusion about whether the repairs could be carried out in the home or would require the sofas to be taken to a workshop.

Mr M says he chased Amtrust several times to find out what was happening on the claim. He says that on a number of occasions he was promised a call back, which didn't in fact happen.

Mr M made a complaint to Amtrust about the delays. In May 2023, they told him they hadn't been able to resolve the issues he'd raised and referred him to our service.

In late June 2023, whilst we were investigating the complaint about the delays, Amtrust told Mr M the claim would be declined because the evident damage to the sofas was not consistent with Mr M's account of how the damage had occurred.

Amtrust consented to our investigator looking into both the original complaint about the delays and the decision to decline the claim – with which Mr M did not agree.

Our investigator thought there had been unnecessary and avoidable delays in the handling of the claim. And she asked Amtrust to pay £150 to Mr M in compensation for the trouble and upset this had caused.

However, she didn't think Amtrust had acted in any way unfairly or unreasonably in declining the claim.

Amtrust accepted our investigator's view. But Mr M disagreed and asked for a final decision from an ombudsman. He wants Amtrust to accept the claim and either replace or pay for the replacement of the sofas.

## **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'm not going to go into any great detail on the delays in the claim handling. In short, Amtrust have accepted there were avoidable delays and things should have been resolved sooner. I'll come to what this means in terms of compensation for Mr M in the *Putting things right* section below.

It's important to be clear about why Amtrust have declined this claim. They say that's because Mr M's account of the events isn't consistent with the damage to the sofas.

The policy says malicious damage isn't covered – and Mr M has made the point that damage caused by a child with severe autism should not be regarded as malicious.

I agree entirely, but it's irrelevant - because that's not why Amtrust are declining the claim. They've had technical experts look at the damage to the sofas. Their advice is that the clean and straight cuts in the leather of the sofas - which go deep into the foam under the leather – could not have been caused by a compass.

Mr M told Amtrust that the compass was one he used in his work as an accountant. The implication was that the vertical edge might not be blunt, as it would be in a normal mathematical compass.

When Amtrust asked to see the compass, Mr M said it had been thrown away. He said this was to protect the child. I assume Mr M's residence has sharp objects (knives for example) that are kept out of reach of the child. It's not entirely clear why similar precautions couldn't have been taken with the compass.

After our investigator gave her view on this complaint, Mr M sent us photographs of what he said was a similar object to the one used to slash the sofas. He said Amtrust should take that as evidence rather than needing to see his own compass.

The photographs provided were of what appears to be a circle-cutting and drawing tool used in dress making. That's not entirely consistent with what Mr M told Amtrust when he made the claim.

In any event, the experts' view on this case is that the damage to the sofas could not have been caused by a compass. The same logic would apply to the tool in the photographs Mr M sent. It's not at all clear how a child could have caused the damage which is now evident using either a compass or the dress-making tool.

In short, given the experts' views which were available to Amtrust, I can't reasonably conclude that they've acted unreasonably or unfairly in declining Mr M's claim.

## **Putting things right**

Amtrust have admitted that the claim should have been resolved more quickly. It's also clear to me that Mr M had to chase Amtrust on several occasions to find out what progress had been made. On occasion, he was promised more information which was not in fact forthcoming.

Mr M was caused some minor inconvenience in having to contact Amtrust on several occasions about the claim. And it was not doubt frustrating that Amtrust couldn't provide

clear information about what was happening within a reasonable timeframe.

The decision to decline the claim was notified to Mr M in Late June 2023, some four months or so after he made the claim. Whilst Amtrust could not have resolved the claim immediately – and were entitled to time to consider the information provided by Mr M and by their experts - they've admitted that things could have been resolved sooner.

Given the nature and length of the avoidable delays in the processing of the claim, I agree with our investigator that £150 is fair and reasonable compensation for Mr M's trouble and upset.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 2 October 2023.

Neil Marshall  
**Ombudsman**