

## The complaint

Mr M and Mrs M complain about how Accredited Insurance (Europe) Ltd (Accredited) declined a claim under their home insurance policy from a break-in.

Accredited use agents to administer the policy and to assess claims. Reference to Accredited includes these agents.

## What happened

Mr M and Mrs M had a home insurance policy with Accredited, taken out in September 2020 through a comparison website. In March 2023 Mr M and Mrs M's property was broken into. The intruder smashed a single double-glazed window to gain entry. The interior handle was closed, but not locked, so the burglar was able to open the window. Mr M and Mrs M thought it wouldn't have been visible to the burglar from the outside whether the handle was locked or not. The burglar stole jewellery estimated to be worth several thousand pounds.

Mr M and Mrs M contacted Accredited to tell them about the break-in and lodge a claim. Accredited considered the claim and an assessor visited the property, taking photographs, including the broken window. However, Accredited declined the claim on the grounds that the interior window handle hadn't been locked from the inside (a security requirement under the policy).

Mr M and Mrs M challenged Accredited's decline, saying they'd spoken to the owner of a local window firm, who told them even if the handle had been locked, it would have taken a very small amount of force to break it and climb through the window. And even had this not happened, the burglar could simply have cleared the broken glass from the window frame and climbed through.

Unhappy at the decline of their claim, they complained to Accredited. They maintained the window, although the handle wasn't locked, was closed and should be considered 'secured shut'. They thought the policy should cover their loss as it occurred through forced and violent entry and no attempt had been made to force the window frame – which they thought rendered moot the issue of the handle not being locked. And the requirement for windows to be locked wasn't given sufficient prominence in the policy documents. They also referred to previous decisions of this service where complaints were upheld where access was gained through cases of break-ins with smashed windows, undamaged frames and handles in a shut position (but unlocked). They thought these cases provided a precedent where the claims in such cases should be accepted.

Accredited didn't uphold the complaint. In their final response they referred to the policy documentation Mr M and Mrs M would have been provided with when they took out the policy and at the subsequent renewals. Accredited referred to policy wording on "*About Safety and Security*" and a question about whether externally accessible windows were secured with key operated locks – to which Mr M and Mrs M had answered 'yes'. Accredited then referred to the definition of 'accessible' being windows within easy reach of the ground without use of a ladder. As the smashed window was on the ground floor, Accredited said it was 'accessible'. While the policy covered loss and theft through forced or violent entry,

there was a policy endorsement where security requirements weren't met, including locks declared in their insurance application were put into full and effective use. The endorsement said loss or damage from theft would not be paid unless the requirement was met.

Accredited also noted only the glass on the lower section of the window was smashed, enough for the burglar to reach in and release the handle. As the smashed pane wouldn't (on its own) have enabled access, the failure to lock the handle was material to the loss. Based on their assessment, Accredited confirmed their decline of the claim.

Mr M and Mrs M then complained to this service. They felt it unfair for Accredited to decline the claim based on a 'yes/no' to the question of whether the window was locked on the inside. If so, the condition should have been much clearer in the policy documents (not within the small print). They'd lost some £4,500 of valuables from the burglary and been traumatised by what had happened. This had been made worse by their dealings with Accredited. They wanted Accredited to accept their claim and pay it in full. They also wanted compensation for the distress they'd suffered.

Our investigator upheld the complaint, concluding Accredited hadn't acted fairly in applying the endorsement requiring windows to be locked. He thought the endorsement applied as Mr M and Mrs M had indicated they had window locks. However, he didn't think the endorsement (and the windows being unlocked) made a difference to whether the theft happened or not. Given the circumstances (from the video footage) he thought the theft would still have occurred, even had the window been locked (the intruder would have been likely to have smashed the remainder of the pane to gain entry, even if they hadn't forced the lock had it been in place). Had the window been locked, it was likely the intruder would have taken longer to gain entry, but not prevented them gaining access.

As the investigator didn't think the failure to lock the window made a difference to whether the theft would have happened, it was unreasonable Accredited applied the endorsement to decline the claim. To put things right, Accredited should reconsider the claim in line with the remaining terms and conditions. The investigator also thought the endorsement wasn't sufficiently clear in the policy documentation (and didn't specifically mention window locks).

Accredited disagreed with the investigator's view and requested an ombudsman review the complaint. They didn't think it was possible to conclude what the intruder would or would not have done had the window been locked. The endorsement should have been complied with and Mr M and Mrs M had accepted it under the terms of the policy they'd taken out. As they hadn't adhered to the requirement under the endorsement (to keep the window locked) they hadn't complied with the terms and conditions of the policy and so the claim could not be accepted. Accredited also provided a copy of a view from an investigator in respect of a complaint to this service where the endorsement has been made clear to the policyholder, where the investigator's view was that the claim had been fairly declined.

### **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'd first want to acknowledge what Mr M and Mrs M have said about the distress they've suffered from the break-in. A break-in is inherently stressful and unsettling, particularly (as seems to be the case here) Mr M and Mrs M may have disturbed the intruder on their return home at the time of the break-in, which appears to have been captured on video at their property. However, my role here is to decide whether Accredited have acted fairly towards Mr M and Mrs M.

The key issue in the complaint is whether Accredited acted fairly in declining Mrs M and Mr M's claim. In declining the claim, Accredited cited the endorsement in the policy requiring windows to be locked (from the inside) Mr M and Mrs M say the break-in would have occurred even had the windows been locked. They also say the endorsement wasn't made clear in the policy documents. Accredited say the endorsement was made clear in the policy terms and conditions, and Mr M and Mrs M indicated they had locking windows when they took out the policy. So, it was fair to apply it to decline the claim.

Given Accredited declined the claim based on the endorsement, I've looked at the wording. The full wording (page 4 of the policy schedule) is as follows:

*"Endorsement(s) that apply to this policy*

*Please read the following endorsements(s) carefully and in conjunction with your policy wording*

*Theft and malicious damage excluded if security requirement not met*  
*When:*

- 1. There is nobody in your home; or*
- 2. The residents have gone to bed for the night in the main building;*

*You must:*

- a. Remove keys from all locks and keep them out of sight or reach of a potential intruder; and*
- b. Ensure that the locks declared in your insurance application are put into full and effective use/*

*We will not pay for loss or damage caused by any theft, attempted theft...or malicious acts...unless you meet both requirements (a) and (b).*

Given the policy wording on "About Safety and Security" and the question about whether externally accessible windows were secured with key operated locks – to which Mr M and Mrs M had answered 'yes', then the endorsement would be relevant.

What's not in dispute is that there was a break-in, which involved 'forced and violent entry', given the window glass was smashed. And that the intruder gained entry through the broken window and took property (jewellery). Given this, the onus is on Accredited to show it was reasonable for them to apply the endorsement to decline the claim. In considering this issue, I've looked carefully at the circumstances of the case.

It's not disputed the window was closed, with the interior handle also in the closed position. Mr M and Mrs M accept the handle wasn't locked with the key (though there's no indication the key was left in the handle or visible (accessible). That the intruder smashed the glass of the window indicates their intention to enter the property. Having smashed the glass, lifting the handle would have made access easier. But access had already been gained from smashing the glass. And being closed, without the key left in the handle, the intruder wouldn't have known the handle was unlocked until they smashed the glass and tried the handle. But even had the handle been locked, I think it's likely the intruder would have forced it open – and I've noted what Mr M and Mrs M have said they were told by a local window firm about it taking a small amount of force to overcome it. Or the intruder could have forced the frame or smashed the remainder of the glass to gain entry.

On this latter point, I've also noted a statement from the local police that the intruder was subsequently apprehended, and they believe burgled other properties, one of which entry was gained by smashing completely a window to gain entry. I've no reason to doubt the view of the police, so taking this together with the other points above, I've concluded the intruder would still have likely gained entry even had the handle been locked. So, the handle being unlocked wouldn't have been likely to have prevented the break-in (and theft) occurring.

While my role is to consider the specific circumstances of this case and come to a conclusion, I've also looked at the example decisions issued by this service referred to by Mr M and Mrs M in their complaint to Accredited. While they contain some similarities, the specific circumstances do differ. One is about an unlocked porch door, while another refers to patio doors where the keys were left in the lock. The example investigator view also involves a case where keys were left in a patio door. As there's no indication the keys were left in the handle of the window smashed in the break-in at Mr M and Mrs M's property, then I don't think these decisions are directly relevant to my consideration of this complaint.

Taking all these points into account, I've concluded Accredited haven't acted reasonably in applying the endorsement to decline Mr and Mrs M's claim.

While I've reached this conclusion, I've also considered the other issue in Mr M and Mrs M's complaint (and in Accredited's response to our investigator's view) about whether the endorsement was made sufficiently clear to them when they took out the policy (and at the subsequent renewals in 2021 and 2022).

Looking at the policy documents, the Insurance Product Information Document (IPID) refers to the policy wording and schedule providing details of exclusions or any endorsements that may apply. But it doesn't provide any more detail, or the location of the exclusions and endorsements (the relevant endorsement is on page 4 (of 4) of the policy schedule, following other details of the policy. The same schedule was issued at policy renewal in 2021 and 2022. While the endorsement is on the final page of the schedule, the schedule is short, so I've concluded Mr M and Mrs M should reasonably have been aware of it.

However, taking this conclusion together with my earlier conclusion about it not being fair and reasonable for Accredited to apply the endorsement in the specific circumstances of this case, this doesn't change my overall conclusion Accredited haven't acted fairly and reasonably.

Having reached these conclusions, I've considered what Accredited should do to put things right. As I don't think they've acted fairly in applying the endorsement, they should reassess the claim in line with the remaining terms and conditions of the policy.

### **My final decision**

For the reasons set out above, it's my final decision to uphold Mr M and Mrs M's complaint. I require Accredited Insurance (Europe) Ltd to:

- Reassess the claim in line with the remaining terms and conditions of the policy.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Mrs M to accept or reject my decision before 1 November 2023.

Paul King  
**Ombudsman**