

The complaint

Miss G has complained about how U K Insurance Limited trading as Churchill (UKI) settled a claim under a home contents policy.

What happened

Miss G contacted UKI to make a claim following a flood in her home. UKI assessed the claim and offered a settlement for some of the damaged items. Miss G complained to UKI about the amount of time it took to settle the claim. UKI accepted there had been delays. It offered £600 compensation. This service also considered what had happened and said what UKI had offered in response to Miss G's complaint was reasonable.

Miss G also complained to UKI about the amount it offered to settle the claim, as she said it didn't include a large number of items that had been damaged. When UKI replied, it said Miss G had disposed of a number of items, so it had been unable to consider them as part of the claim.

When Miss G complained to this service. Our investigator didn't uphold the complaint. He said UKI had offered a reasonable settlement for the claim, as many items had been disposed of by Miss G. He said UKI didn't need to offer anything further.

As Miss G didn't agree, the complaint was referred to me.

I issued my provisional decision on 8 August 2023. In my provisional decision, I explained the reasons why I was planning to uphold the complaint. I said:

My decision is only about the claim settlement offered by UKI. I'm not considering the issues that were part of the previous complaint, although I'm aware of what happened.

Miss G has said UKI's settlement for the claim didn't include a large number of items damaged by the flood. UKI has said the items weren't available for inspection as they had been disposed of. It said this breached the terms of the policy and it wouldn't offer settlement for those items.

I've checked the policy booklet. This said:

"For any claim you must:

- Give us any relevant information and evidence that we ask for, including proof of ownership or value of the lost or damaged item and written estimates for repair. You will have to do this at your own expense.*
- Allow us (or our appointed suppliers) to access or inspect the damaged items and/or property."*

UKI explained to Miss G its concerns about the vinyl records she was claiming for. It said Miss G had provided two loss lists that contradicted each other. It said Miss G had only listed 144 vinyl records 10 months after the loss and nine months after she provided UKI with the

original loss list. It said it only covered the loss of 10 records because that is all the assessor saw on their visit. So, I've looked at this.

Miss G first reported the claim on 12 October 2021. UKI provided this service with an email that showed that on 25 October 2021, Miss G sent UKI a loss list that included a large number of vinyl records. So, I think it was inaccurate for UKI to say that the first time Miss G reported a large number of damaged vinyl records was 10 months after the loss.

I've also looked at UKI's notes of the claim and the visit reports. When Miss G first spoke to UKI about the claim, UKI's notes said Miss G said she had a large vinyl record collection. Miss G explained that workmen had cleared the water and thrown away a large number of items, which included a lot of the vinyl. A few days later, UKI spoke to Miss G again. During that conversation, UKI's notes showed it asked about the vinyl records and that Miss G said she only had a few and the covers and sleeves were stuck together. When the loss adjuster visited, she took a photo of some damaged vinyl records and UKI later said it would cover the cost of 10 records.

UKI's notes said that in August 2022, Miss G told UKI she had finally unpacked some boxes and found all the damaged vinyl albums. She also said a UKI contractor had been out that morning to inspect the damage in her home again. UKI provided this service with the video from the contractor's visit. This showed a large number of vinyl records and the person carrying out the assessment also referred to them. Following this, UKI wrote to Miss G in response to her first complaint and said it had asked its validation team to complete a full review of the entire claim. It said it was pleased to learn of the visit that had taken place and that another company had been in touch about appointing a restoration company to inspect the vinyl, as well as Miss G's other items. I note that the purpose of the visits as described in the letter seemed to be based on Miss G telling UKI this. Looking at UKI's notes, the second company seemed to be appointed to view the furniture and the first company was appointed to "photograph the rest".

When the second company visited, its report focussed on the furniture but said "The assessor also noted damage to a [...] laptop, books and some vinyl records. Please can you attend to these items". I asked UKI about this. It said the company had taken no photos of the items and that the items hadn't been seen as it wasn't part of UKI's instructions, but the customer had referred to the items being damaged, which was why they had been added to the report. Even if I accept that as correct, the first company took a video that showed the vinyl records. UKI had said it would review the whole claim and it also confirmed to this service that the company acted as its "eyes" so took videos for UKI. However, I haven't currently seen evidence that UKI fully reviewed the claim for the vinyl records, despite it saying it would do so. When it sent its concerns to Miss G in October 2022, it didn't seem to have noted that Miss G first submitted a long list of vinyl records in October 2021 or the reason Miss G gave in August 2022 for why she now had the records or the video taken by one of its contractors. I don't think UKI has shown that it fairly assessed this part of the claim.

UKI also declined to deal with a claim for damaged living room furniture. When it challenged Miss G about some of the claim, it asked why there were now solid oak items on the list, although it didn't say what these items were. Looking at the loss list, this was a sideboard and a cabinet. In the photos taken at the first visit, I can see two items that appeared to be a sideboard and cabinet. When the video was later taken for UKI, this showed a sideboard and glass cabinet in the living room, although there was only limited comment in the video about whether there was any visible damage. There was also a coffee table and a lamp table on the loss list and these were also shown in the video. I can't see that UKI referred to the tables when it raised its concerns with Miss G, but it also doesn't seem to have settled the

items. Based on what I've seen, I don't currently think UKI has clearly shown why it didn't consider the furniture in the living room.

Miss G said she was also concerned that UKI hadn't paid for a rug. This was listed on the first loss list and I haven't currently seen anything that said Miss G was told why this wasn't covered as part of the claim. Miss G later claimed for a carpet shampooer as well and, again, I can't see that UKI provided a reason for not dealing with this.

Miss G has also said that UKI offered a settlement for the carpet and then withdrew it. The carpet wasn't an item raised by UKI when it sent its concerns to Miss G. I've seen evidence that Miss G was claiming for the carpet and raised concerns about getting a settlement for it. Based on what I've currently seen, I'm not persuaded UKI has fairly or clearly dealt with this part of the claim.

I'm aware UKI raised concerns about why Miss G sent a new loss list many months after she first submitted the claim. Miss G said she was told by the person at UKI who was dealing with her complaint to submit a new loss list. UKI told this service that it hadn't said this. However, UKI didn't provide evidence to show that its explanation of what was agreed was more reliable than Miss G's. I've looked at UKI's note of what was discussed and this didn't say one way or the other whether Miss G was asked to send a new list. However, given the person at UKI dealing with the complaint had committed to getting the whole claim reviewed, in my view, Miss G's account of what was discussed doesn't currently seem inconsistent with UKI discussing the claim and suggesting she provide a new loss list.

Based on what I've currently seen, I'm not persuaded UKI fairly considered this part of the claim or that UKI has properly explained to Miss G why it hasn't settled these items. So, I think UKI needs to assess the claim for the living room furniture, carpet, rug and carpet shampooer and either settle the claim for some or all of these items or give Miss G a clear reason why it won't do so.

Miss G also claimed for a laptop. UKI was concerned that Miss G had originally said some workmen had disposed of the laptop following the flood. Several months later, Miss G told UKI the laptop had been found in rubble at the end of the garden. UKI told Miss G that at its first visit, photos had been taken of the end of the garden and this didn't seem to show any boxes. It asked Miss G to respond to its concerns, but wasn't satisfied that its concerns were addressed. UKI was also concerned that Miss G had changed the list of books she was claiming for from some music-related and fiction books to cookery books. Looking at the list, I can see that the two lists provided a few months apart listed different books. I can understand that UKI was concerned by these issues and that it didn't think it had received a satisfactory explanation for the changes.

Miss G also claimed for a wardrobe. In the initial claim list, it was a four-door wardrobe and in the revised list, sent several months later, it was listed as a six-door wardrobe. UKI was also concerned that the wardrobe was later disposed of before a contractor was able to inspect it. I'm aware wardrobes were inspected when UKI first visited. A wardrobe also seemed to be at the property, although in the garden, when the company visited to video items. However, when another company visited to inspect the furniture, Miss G said the wardrobe had been stolen from the garden. So, I can understand that UKI was concerned by inconsistencies in the description of the wardrobe and it then not being available.

Miss G also said she told one of the companies that there were three damaged DVDs. I didn't see these listed on either of the loss lists or referred to in the visit reports. So, I currently think it was reasonable that UKI didn't deal with them as part of the claim.

Based on what I've currently seen, I think it was reasonable for UKI not to deal with the laptop, wardrobe, books or DVDs and I don't intend to require it to do anything in relation to these.

I've also thought about compensation. UKI told Miss G it would review the whole claim again. From what I've seen, it didn't do that. It settled some items, declined others and there were other items it didn't seem to consider, despite them being listed as part of the claim. I also don't currently think UKI clearly explained its reasons for not settling some parts of the claim. So, I currently intend to say that UKI should pay Miss G £200 compensation for the impact on her of how it dealt with the claim review.

I asked both parties to send me any more information or evidence they wanted me to look at by 5 September 2023. Both parties responded before that date. I have summarised their responses below.

Miss G sent a letter that she said confirmed UKI had said it had arranged to assess the vinyl records and everything else. She described that when the assessor visited that he sat on the floor and went through each vinyl record and looked at them for at least half an hour. The assessor also took photos of the wooden furniture, including laying on the floor to take close ups of the stained wood. She also queried whether I was saying UKI should settle the part of the claim for the vinyl records and explained the impact the claim had on her mental health.

Miss G explained that the laptop was found in its original box inside another box that was in a rubble bag. There were other rubble bags on the other side of the fence. When the fence was built the landlord came with a trailer and started to fill it with rubbish, which included parts of the wardrobe together with the rubble bags. When she noticed the trailer, she saw the rubble bag and found the laptop. She then contacted UKI to say it had been found. She said it was also inspected by UKI's contractor.

UKI replied to my provisional decision and said it was unable to offer settlement for the vinyl records. It said when the claim was registered that Miss G had advised most had been disposed of. When UKI's surveyor visited a few weeks later, Miss G also said the records had been disposed of. It said the second list I referred to was only provided 10 months later. It listed 141 records, not 144 as stated by Miss G. The records being recovered raised concerns as UKI had previously been advised they had been disposed of by the landlord. It had requested evidence of the records and Miss G provided photos but none of these were timestamped. So, it had concerns about the images. It requested the original images, but to date, these had not been received.

UKI also said it was concerned Miss G had said she had been replacing items, which resulted in her owing £10,000 - £12,000. UKI was unable to say these weren't the items bought as replacements. But the main concern was how Miss G was able to obtain the records several months after she said they were disposed of. It suggested there was a pattern with Miss G that once UKI confirmed it had disposed of items that Miss G would then find the items, such as the laptop.

UKI confirmed it had cash settled the claim for the carpet. It said Miss G had chosen to shampoo the carpet of her own accord. At the time, UKI was under the assumption the landlord was dealing with the carpet. As it had now offered settlement for the carpets, it didn't feel that paying for them to be cleaned was something it should pay for as it hadn't instructed Miss G to do this. For the living room furniture and rug, Miss G hadn't included these in the original loss list. They were in the second loss list provided 10 months later. It didn't consider these as it didn't receive a satisfactory response on why they hadn't been included in the original list. However, so long as Miss G still had the items, UKI said it would

instruct a supplier to visit and view the damaged items and provide an accurate settlement, so long as there is evidence to show water damage.

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.

Having done so, I uphold this complaint and for the reasons given in my provisional decision. I've considered all of the responses provided, even if I don't comment on them here. I should also note that I confirmed to Miss G that the letter she sent was the one I referred to in my provisional decision.

I'm aware of UKI's concerns about Miss G changing her account of what happened to some of the items. I was aware of this when I made my provisional decision. I considered each item individually and looked at all the evidence available to me in order to make what I considered to be a fair decision for each item.

I remain of the view that UKI still doesn't need to deal with the claims for the laptop, wardrobe, books or DVDs. I note for the wardrobe that Miss G has now said her landlord took parts of it away, which is different to what she previously told UKI. But I'm aware Miss G was particularly concerned about the laptop. I've considered the further information Miss G provided. However, this still doesn't address UKI's concern that there didn't seem to be boxes at the end of the garden when its surveyor visited, but the laptop was later found there.

I note UKI has said it will assess the furniture, which I think is an appropriate way forward. It has also said it has settled the carpet. For completeness, I have left it in the list of items for it to consider further. But if the settlement has already been paid, it doesn't need to do anything further on this.

UKI has also explained why it won't settle the carpet shampooer. I remain of the view that it still needs to assess it. As far as I'm aware, it hasn't discussed it with Miss G and I think it needs to get her explanation of why she used a carpet shampooer and then decide whether it should make a settlement.

In terms of the vinyl records, I remain of the view that UKI needs to consider these further. I've looked at what it said in response to my provisional decision. I was already aware Miss G initially said they had been disposed of and only later said she had found them. Although UKI has queried the second loss list and the photos provided by Miss G, it still doesn't seem to have taken into account that the records were listed on the first loss list and that a company it sent to act as its "eyes" also took video footage showing a lot of vinyl records, albeit sometime later. The company visited as part of UKI saying it would reassess the claim. I'm still not persuaded UKI has shown it fairly considered this part of the claim based on all the evidence available to it.

I remain of the view that £200 remains an appropriate level of compensation.

Putting things right

UKI should assess the claim for the vinyl records, living room furniture, carpet, rug and carpet shampooer and either settle the claim for some or all of these items or give Miss G a clear reason why it won't do so. It should also pay Miss G £200 compensation.

My final decision

For the reasons I've given above and in my provisional decision, my final decision is that this complaint is upheld. I require U K Insurance Limited trading as Churchill to:

- assess the claim for the vinyl records, living room furniture, carpet, rug and carpet shampooer and either settle the claim for some or all of these items or give Miss G a clear reason why it won't do so.
- Pay Miss G £200 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 3 October 2023.

Louise O'Sullivan
Ombudsman