

## The complaint

Ms H complained that Accredited Insurance (Europe) Ltd (“AI”) unfairly declined her claim for lost jewellery under her home insurance policy.

## What happened

Ms H made a claim to AI when she lost her ring when staying at a hotel. AI reviewed and validated the claim but declined it as it didn’t feel Ms H had met the endorsements on her policy. Due to the value of the ring, Ms H was expected to provide a valuation for it from the past 3 years, and she needed to have it inspected by a competent jeweller periodically ensuring any necessary repairs are carried out.

Ms H felt she had provided evidence she had met the endorsements, so she thinks AI should pay her claim.

Our investigator decided to uphold the complaint. She felt Ms H had provided sufficient evidence to satisfy the endorsements on the policy, so didn’t think AI was fair to decline the claim. She said AI should settle the claim in line with the remaining terms and conditions of the policy. AI disagreed, so the complaint has been referred to an ombudsman.

## My provisional decision

I made a provisional decision on this on 24 October 2023. I said:

*“I’ve checked the policy and the endorsements described are clearly set out. So, I’d expect there to be some evidence to show Ms H has met these or that the requirement is relevant to the loss that has taken place.*

*AI said the evidence Ms H provided of the valuation of the ring couldn’t be considered as it was dated after the loss date. The policy states a valuation must be provided from the last three years.*

*Ms H has provided a written testimony from her jeweller. The jeweller confirms the ring was originally purchased from its shop and was bought for £3,000. It describes the ring and says a replacement value would be £4,000. Given the ring was several years old, it doesn’t seem unreasonable the ring would’ve increased in value.*

*The statement from the jeweller is written on company headed paper with full details of the jeweller’s business on it (e.g., address, VAT number) and it’s signed by the jeweller. I have no reason to doubt the integrity of the statement, so I think it should be considered even if it is post loss. A fair value has been provided by an expert. On a side point, I don’t think the policy is clear the valuation needs to be time stamped pre-loss. It just says from the last three years – which is vague as the start of that three years isn’t set out in the policy.*

*AI said the second endorsement wasn’t met as an inspection warranty wasn’t provided from the last three years. The endorsement is described further on the schedule it reads that the ring isn’t covered “unless the settings of the stones and the clasps of the watches and*

*jewellery are examined by a competent jeweller once every three years and any necessary repairs carried out”.*

*As part of the jeweller’s statement, he wrote “she bought the ring in to repair her claws and to ensure the diamonds do not fall out”. AI said this isn’t evidence repairs were carried out and has said Ms H needs a receipt to evidence repairs. I don’t think this is reasonable.*

*Firstly, I don’t think the maintenance of a ring is relevant in this claim – it’s not like a bracelet where the clasp may have become damaged and fell off, which may increase the risk of it being lost. A ring is unlikely to have that kind of problem.*

*Secondly, Ms H’s statement from the jeweller satisfies to me that a “competent jeweller” had carried out a recent inspection. So, I think Ms H satisfies the endorsement anyway. I’ve already said I have no reason to doubt the integrity of the jeweller’s statement. I think if AI wanted to validate this further it could’ve contacted the jeweller direct.*

*Therefore, I intend to uphold this complaint. I intend that AI settle the claim in line with the remaining terms and conditions of the policy. Ms H said she was distressed that her claim was declined, and I think the delay in been able to replace her ring has left her not been able to enjoy it. So, I intend to award £100 compensation for distress and inconvenience”.*

## **Responses to my provisional decision**

Ms H agreed with my provisional decision, and she didn’t have anything further to add.

AI didn’t accept by provisional decision. It said *“[the ombudsman has] stated that [he] cannot doubt the integrity of the document provided from the jeweller, however [AI] disagree[s]. The letter in itself does not prove anything. They do not have any booking confirmation, invoice, receipt etc and there are no specific dates as to when the ring went into the jewellers for a repair/inspection. The jeweller has not stated how recent they saw the ring. Overall, I am satisfied that we cannot accept the validity of a document that is produced post loss”.*

## **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 set out in my provisional decision that I was comfortable with the evidence provided by Ms H from her jeweller in respect to the valuation for the ring and to confirm an inspection had taken place. Therefore, as new information hasn’t been presented, I see no reason to change my decision.

## **My final decision**

My final decision is I uphold this complaint. I require Accredited Insurance (Europe) Ltd:

- Settle Ms H’s claim in line with the remaining terms and conditions of the policy
- Pay Ms H £100\* compensation – for distress and inconvenience.

\* Accredited Insurance (Europe) Ltd must pay the compensation within 28 days of the date on which we tell it that Ms H accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I’m required to ask Ms H to accept or

reject my decision before 4 December 2023.

Pete Averill  
**Ombudsman**