

The complaint

Ms P complains about UK Insurance Limited (UKI) who she says disposed of her property, without her authority. She also complains about the settlement offered, following a claim under her home insurance policy.

Any reference to UKI includes its agents.

What happened

Ms P had a flood at her home. She made a claim against the home insurance policy she held with UKI.

During the claims investigation process, UKI asked Ms P for proof of ownership, proof of purchase or proof of value for two designer bags, to comply with the policy terms. Ms P explained she didn't have any paperwork for the bags, as one was a gift and the other was purchased a long time ago.

UKI said it held in storage several items recovered from Ms P's home. Those items were assessed, and a list was compiled of items which were beyond economic repair (BER). The bags were included on the list, and UKI said it received permission from Ms P to dispose of the items on the BER list, on 17 July 2023.

Ms P agreed that a third party would authenticate and value the bags. The third party had been instructed by UKI to this. But Ms P said the authentication and valuation weren't done, as the bags were disposed of, without her authority. So, she raised a complaint with UKI for this and for the settlement it offered, as she felt it was far too low.

In its final response, UKI said Ms P had been provided with the BER list that the third party had compiled, following its inspection of several items and she authorised those items to be disposed of. The bags were on the list, so they were disposed of with Ms P's knowledge. It also said Ms P hadn't provided any proof of purchase or value, which was a requirement under the policy.

Ms P remained unhappy and referred a complaint to this Service. An investigator considered the complaint and didn't think it should be upheld. He agreed Ms P had given permission for the BER items to be disposed of and UKI did just that. He also said Ms P hadn't complied with the policy terms and conditions, as she hadn't provided proof of value or purchase. So, there was nothing further he was able to ask UKI to do.

UKI accepted the view, Ms P did not. She reiterated her complaint points, and she didn't agree with the settlement figure UKI offered. As the matter couldn't be resolved, it has been passed to me for a decision.

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.

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Having done so, I don't uphold this complaint, for much the same reasons as the Investigator. I understand this will be a disappointment to Ms P, but I hope my findings go some way in explaining why I've reached this decision.

The policy sets out the agreement between the parties. What we decide in a matter like this, is whether the insurer has acted in accordance with the terms and conditions of the policy, considering all available evidence. I should also point out, when a policyholder makes a claim, it is for them to show they have a valid claim. And it's for the insurer to validate that claim from information the policyholder provides.

The policy terms allowed UKI to carry out an inspection of any damaged items, which it did. It compiled a list during a BER exercise conducted in March 2023. It said it assessed what was BER, added this to the list for Ms P to provide costings, authenticity of the bags and evidence of value.

UKI said it sent the list to Ms P and requested she send in the information including costings, so it could settle the claim. I haven't seen that Ms P provided this, but she did provide testimony of proof of ownership, which UKI seemingly accepted.

In addition, UKI said it received confirmation from Ms P via email on 17 July 2023, that the items on the BER list could be disposed of: *'yes, you can dispose of the items noted BER.'* So, it disposed of the items following the confirmation.

I've had a look at the BER list (which included photos and descriptions of the damaged items) and the communications between Ms P and UKI. I'm satisfied the two bags were included on the list that Ms P had been given and were subsequently disposed of. So, I'm unable to agree UKI disposed of the bags without Ms P's authority or knowledge.

Turning to the settlement. Ms P's policy allowed UKI to request proof of ownership, value, or purchase, from Ms P. It states:

'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.'

Based on the facts provided, I can't say that UKI has done anything wrong here. The policy terms and conditions are clear, the required documentation wasn't available. And apart from the testimony Ms P gave regarding the proof of ownership, I can't see Ms P has provided anything further.

UKI said it would've accepted either the authentication certificate or even a dust bag to assist in the valuation. But as none of these were provided, Ms P didn't comply with the policy terms. Therefore, it based its settlement on the cost of a standard bag and not a designer brand and used photos to validate the authenticity of the bags.

Ms P said she couldn't provide proof of value as the bags were disposed of before she could get them authenticated. But, as I've mentioned, the onus is on the policyholder to prove their

claim, which means it's their responsibility to provide proof of value. So, I'm unable to agree UKI was unreasonable in its settlement of the claim.

In summary, having considered the complaints Ms P has raised against UKI, I don't agree it acted unreasonably in settling the claim. Nor do I agree it disposed of the bags without Ms P's authority. I understand this won't be the outcome Ms P would've liked but, in the circumstances, I can't reasonably ask UKI to do anything further to resolve this complaint.

My final decision

Your text here

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P to accept or reject my decision before 9 May 2024.

Ayisha Savage
Ombudsman