

The complaint

Mr H has complained that Accredited Insurance (Europe) Ltd ('Accredited') unfairly declined a claim under a home insurance policy.

What happened

Mr H contacted Accredited to make a claim for a lost ring. Accredited declined the claim because it said Mr H hadn't provided a valuation for the ring from within the last three years.

When Mr H complained, Accredited maintained its decision to decline the claim. It again said Mr H hadn't complied with the policy requirement to provide a professional valuation of the jewellery from within the last three years.

So, Mr H complained to this service. Our Investigator upheld the complaint. She said Accredited hadn't shown that Mr H not providing a valuation made a material difference to the claim. So, she said Accredited should settle the claim in line with the remaining terms and conditions of the policy and pay interest on that amount. She also said Accredited should pay Mr H £100 compensation.

As Accredited didn't agree it should settle the claim, the complaint was referred to me.

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. I will explain why.

When Accredited declined the claim, it relied on an endorsement that said:

"Jewellery item more than £2,000 - valuation required"

If you make a claim for any watch or item of jewellery shown on the schedule with a replacement value of £2,000 or more, you must provide a professional UK valuation from within the last three years. We will not pay your claim, or the amount of the claim may be reduced, if you do not provide the proof we ask for."

Mr H had insured the ring for £2,500, which meant this endorsement was relevant to the claim. However, Accredited's own jewellery service was able to value the ring based on information provided by Mr H, including photos. So, in my view, Mr H not being able to provide a recent valuation didn't make a material difference to the claim. As a result, I don't think it was fair for Accredited to rely on this endorsement to decline the claim.

I'm aware Accredited also told this service that if the ring had been inspected it might have highlighted any issues with the ring and prevented the claim. However, Accredited had the opportunity to fully assess the claim at the time. It didn't raise this as an issue or rely on the endorsement that refers to an inspection when it declined the claim. So, I don't think it's fair

for it to do so now. I think Accredited needs to settle the claim based on the remaining terms and conditions of the policy. It should also pay interest on any cash settlement, as Mr H lost use of the money.

I've also thought about compensation. I'm aware Mr H would have been caused distress by having to make a claim in the first place, which Accredited wasn't responsible for. However, I think the way Accredited dealt with the claim caused Mr H additional distress and inconvenience, including that Mr H explained he felt poorly treated by how it was considered. So, I think Accredited should pay Mr H £100 compensation.

Putting things right

Accredited should settle the claim in line with the remaining terms and conditions of the policy and pay interest on any cash settlement. It should also pay £100 compensation.

My final decision

For the reasons I have given, it is my final decision that this complaint is upheld. I require Accredited Insurance (Europe) Ltd to:

- Settle the claim in line with the remaining terms and conditions of the policy
- Pay 8% simple interest on any cash settlement from 4 January 2024 to the date on which the payment is made
- If Accredited Insurance (Europe) Ltd considers that it's required by HM Revenue & Customs to deduct income tax from the interest, it should tell Mr H how much it's taken off. It should also give Mr H a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.
- Pay £100 compensation

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 29 May 2024.

Louise O'Sullivan
Ombudsman