

The complaint

Miss B and Mr H complain Accredited Insurance (Europe) Ltd unfairly declined a theft claim under a buildings and contents insurance policy.

Reference to Accredited include its agents.

What happened

Miss B and Mr H took out a buildings and contents policy with Accredited in December 2021.

In July 2023, they reported a theft claim to Accredited. They said intruders broke into their home through the backdoor using an instrument, and took keys, purses, and a playstation, amongst other things. And this happened while they were inside their home asleep.

Accredited sent a specialist to inspect the backdoor. Following this, it declined the claim as it didn't think force and violence was used by the intruders to gain entry. Rather, the backdoor showed signs of age deterioration, wear and tear, and a poor locking mechanism.

Miss B and Mr H didn't accept this. They said they accept the door was old, but this didn't prevent it from being secured. They also said the specialist was at their property for less than five minutes, and at no point attempted to lock or open the door.

They said they suffered a genuine loss through no fault of their own, and Accredited's decision on the claim was an unreasonable one. They provided photos they say show an instrument was used to gain entry, and comments from their own contractor who said they replaced a gearbox mechanism due to the original one being deemed beyond repair due to damage caused during the theft-incident.

They complained to Accredited and it responded to it in August 2023 maintaining its position. So, Miss B and Mr H asked our Service for an impartial review.

The Investigator recommended the complaint be upheld. She was more persuaded based on photos an instrument was likely used to gain entry. And while the door may have been old, she wasn't persuaded this increased the risk of the theft occurring.

She therefore recommended Accredited reassessed the claim in line with the remaining terms, include interest on any settlement to Miss B and Mr H for any claim-related costs they've incurred, and pay them £100 compensation.

Miss B and Mr H agreed, but Accredited didn't. It referred back to the specialist report. It also said it didn't dispute the door was in full working order, but the condition of it made access for the intruders easier, with no force and violence being used to gain entry.

As no resolution could be reached, the case was passed to me to decide.

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've decided to uphold it, for broadly similar reasons to those reached by our Investigator. I'll explain why.

The contract of insurance required Accredited to cover the cost of putting right any loss or damage as the result of a theft – following forced and violent entry into the home.

It's my view the force and violence term in a policy is intended to support an insurer's position not to pay claims where a theft or attempted theft occurred as the result of a policyholder not properly securing their home. I'm not satisfied that's what happened here, and I'll explain why.

Accredited relied on a specialist report to decline the claim saying no force and violence was used to gain entry to the home. This report set out, broadly, the following comments:

- The door was old, worn, and had a poor locking mechanism.
- There was no evidence of significant damage to the external face of the door.
- A seal gasket was worn and loose.
- Someone had fitted wedges to the inside of the door framework, and door security chains to the top and bottom of the door frame for additional security.

The report concluded there was nothing to suggest the door had been forced. Rather, issues with the door were related to age deterioration and the poor quality of the lock mechanism.

I think it's fair to conclude all parties accept the door was old. Further, and crucially, neither party disputes the door was in full working operation. I'll return to this point in a moment.

Alongside the report, I've reviewed photos of the door provided by both parties. And having done so, I'm not persuaded, on balance, these are consistent with one another. I say this because while the report says there was no evidence of force, photos show scrape marks and a puncture-type area of damage where the handle-lock would sit.

I don't think the report provides persuasive commentary around how the specialist – in their professional opinion – thinks the intruders gained entry. Nor does it comment on these markings mentioned above. And nor does it persuade me to agree it would be fair and reasonable in this specific case to conclude that the door was in such a poor condition it increased the risk of Miss B and Mr H's home being more susceptible to theft.

Returning to my earlier point – neither party disputes the door was old, nor do they dispute the door being in full working order. Therefore, given the evidence I've seen in photos, it follows that if the door was in full working order, I find it's more likely than not that forced and violent entry was the proximate cause – as opposed to the condition of the door.

So, it follows, I'm not satisfied Accredited declined Miss B and Mr H's theft claim fairly and reasonably here. As such, I'll be directing it to put things right.

Putting things right

Accredited Insurance (Europe) Ltd must reconsider Miss B and Mr H's buildings and contents claim in line with the remaining policy terms. It should include simple interest* at 8% a year on any settlement paid to them for any claim-related costs they've incurred, from four weeks from the date of loss to the date of settlement.

There's no doubt the circumstances surrounding this claim would have been very upsetting

and distressing for both Miss B and Mr H. And I also think £100 compensation is appropriate here to recognise the level of distress and inconvenience caused to them by Accredited – over and above what's naturally expected following claims such as this one.

My final decision

I've decided to uphold the complaint. I now require Accredited Insurance (Europe) Ltd to settle this complaint in line with my instructions above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B and Mr H to accept or reject my decision before 3 July 2024.

*If Accredited Insurance (Europe) Ltd considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Miss B and Mr H how much it's taken off. It should also give Miss B and Mr H a tax deduction certificate if they ask for one, so they can reclaim the tax from HM Revenue & Customs if appropriate.

Liam Hickey
Ombudsman