

The complaint

Mr and Mrs L complain that Accredited Insurance (Europe) Ltd (Accredited) declined their claim following a burglary, under their home buildings and contents insurance policy.

What happened

Mr and Mrs L's home was burgled. Their front door was damaged, and cash and jewellery were stolen. They contacted Accredited to make a claim under their policy. They say the business was initially going to pay out for their damaged door, but it subsequently changed its mind. Mr and Mrs L say the surveyor that assessed their claim thought the door had been left unlocked. So, the business declined their claim for this reason.

Mr and Mrs L didn't think this was fair as their door had been forced open, which their policy covers. So, they complained to Accredited.

In its final complaint response Accredited says the door wasn't fully secured at the time of the burglary. It says this is a requirement of its policy terms and conditions. Because this term wasn't met it says it correctly declined Mr and Mrs L's claim.

Mr and Mrs L didn't think they'd been treated fairly and referred the matter to our service. Our investigator upheld their complaint. He didn't think Accredited had been clear in how the door operated and what it meant by the door not being fully secured. He says the surveyor also comments that the damage to the door was consistent with a burglary incident. Our investigator says Accredited should accept the claim and pay for the front door replacement. In addition, he says it should pay for the lost cash and jewellery up to the policy limits.

Accredited didn't accept this outcome and asked for an ombudsman to consider the matter.

The complaint has been passed to me to decide.

I issued a provisional decision in April 2024 explaining that I was intending to not uphold Mr and Mrs L's complaint. Here's what I said:

provisional findings

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 my intention is to not uphold Mr and Mrs L's complaint. I'm sorry to disappoint them but I'll explain why I think my decision is fair.

It's for the insured to show that they've suffered a loss (fire, flood, theft etc). If they can, then, generally speaking, the insurer should pay the claim. This is unless it can reasonably rely on a policy exclusion not to.

Accredited sent a surveyor to assess Mr and Mrs L's claim. The surveyor reported that the damage to the front door was consistent with a theft incident. It says the burglars had

“popped the door open on the latch”. It also says, “in our surveyor’s opinion the door was not latch [sic] at the time of the incident and at most was closed on the latch due to the lack of damage around the bolts.”

We asked Accredited to provide a clearer explanation of whether the door was locked or not, and what it meant by “on the latch”. It responded to say that the door is locked by moving the handle upwards. If the key is then turned this immobilises the handle and prevents the door from being opened.

In simple terms this means that turning the key locks the door. Pushing the handle up engages more of the locking mechanism. But unless the key is turned, the door can still be opened by pushing the handle down.

It took a number of requests and responses from Accredited to get a clear explanation. I can understand why our investigator wanted clarity on how the door being “on the latch” prevented it from being opened normally. I’m satisfied from Accredited’s further explanations that unless the key is turned – the door isn’t locked. The businesses surveyor says the door wasn’t locked at the time of the burglary. If it had been the burglar(s) would’ve needed to use force to open it. But the door doesn’t show any significant signs of damage.

I’ve looked at the photos taken of the door after the burglary. There is a minor dent in the PVC frame and a small crack. There doesn’t appear to be any damage to the locking mechanism. I think Accredited makes a fair point that forced entry would have caused much more significant damage to the door. I don’t think the damage shown is consistent with the door being forced open.

The dent in the PVC frame does look as though an implement was used to try and lever the door open. But I don’t think this is how entry was gained to Mr and Mrs L’s home. Its possible an attempt was made to force the door before the burglar(s) checked if it was locked. But ultimately the lack of any significant damage to the door means it’s unlikely that it was forced open. Rather the evidence supports it being unlocked at the time of the burglary.

Mr and Mrs L’s policy terms, in relation to theft and malicious damage, say:

“When:

- 1. There is nobody in your home; or*
- 2. The residents have gone to bed for the night in the main building;*

You must:

...ensure that the locks declared in your insurance application are put into full and effective use.”

I think this is written clearly and explains that Mr and Mrs L must secure their property by locking the door.

This must have been a very distressing time for Mr and Mrs L and I’m sorry their claim was declined. But based on this evidence I don’t think Accredited acted unfairly when declining their claim for the reason it gave. So, I can’t reasonably ask it to do anymore.

I asked both parties to send me any further comments and information they might want me to consider before I reached a final decision.

Accredited didn’t respond with any information or further comments for me to consider.

Mrs L responded to say I had misunderstood with regards to the locking mechanism of the door and how it had been locked. She says if the door was closed the key was required to

open the door. She says it's not possible to push the handle down to open it.

Mrs L says she was surprised by the lack of damage caused to the door. She says the police officer that attended told her this wasn't unusual. With the right tools a burglar can gain entry to this type of door with minimal damage. Mrs L says this is why she chose to replace the door rather than have it repaired.

Mrs L says moving the door handle down will disengage the top and bottom locks. But she maintains that the door can't be opened without the key being inserted and turned. She says the insurer's reference to 'on the latch' implies it was left in a way that meant the door could be opened. Mrs L says this isn't correct.

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 acknowledge what Mrs L says about the locking mechanism. More specifically that when the burglary occurred, the door couldn't be opened without turning a key. This wasn't available to burglars which is why they forced the door open.

I've thought carefully about this point. I've also read information available online about the type of lock Mr and Mrs L had in place. From what I've read this type of door can have a latch in place which means the door when closed can't be opened. My understanding is that this is the point Mrs L is making.

However, for the door to be fully locked – the multi-point locking mechanism must be engaged by lifting the handle upwards. If this isn't done then as Accredited's assessor points out, the door is considered 'closed on the latch' only. From what I've read, if the multipoint locking mechanism isn't fully engaged this type of door is vulnerable to burglars using minimal force to gain entry.

Mr and Mrs L's policy terms say that when they aren't at home, or are in bed for the night, the locks must be "*put into full and effective use*". Accredited says the full locking mechanism can't have been used as there is little sign of force having been used.

Having considered all of this I accept Mrs L's comments that the door was closed on the latch and couldn't simply be opened by pushing the handle downwards. But given the very limited damage caused to the door, I'm persuaded by Accredited's comments that the lock wasn't put into full and effective use at the time of the burglary. The policy terms are clear that it's a requirement for Mr and Mrs L to fully secure their property. I don't think they did so here. So, I don't think it Accredited's decision to decline their claim was unfair.

My final decision

For the reasons I've explained above, and in my provisional decision, My final decision is that I do not uphold Mr and Mrs L's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L and Mrs L to accept or reject my decision before 11 June 2024.

Mike Waldron
Ombudsman