

## **The complaint**

Ms H complain about how Wakam dealt with a claim under her home contents insurance policy for the loss of personal items that ere in her vehicle when it was stolen.

Wakam use agents to administer the policy and to assess claims. References to Wakam include these agents.

This decision covers Ms H's complaint about Wakam, as the insurer of her home insurance policy. It doesn't cover the loss of her vehicle when it was stolen, which was covered under a separate motor insurance policy.

## **What happened**

In May 2023 Ms H's vehicle was stolen. She reported the theft to the police when she discovered her vehicle had been stolen and was provided with a crime reference number. Th vehicle wasn't recovered, and Ms H made a claim for its loss under her motor insurance policy. The claim was settled some two weeks after the theft. Ms H also received a settlement under the policy for the loss of contents (£150, being the policy limit).

In the vehicle when it was stolen were a number of personal items. The items were (with cost or replacement values):

- Mobility scooter and battery (£2,495)
- Vehicle wind deflectors (£124.04)
- Dog booster seat (£24.99)
- Dash cam (£149.99)
- Boot liner (£143.96)
- Quad biking helmet (£59.99)
- Driving glasses (£397.00)
- Walking sticks (£22.95)
- Mobile Phone Holder (£9.99)
- Rollator (£334.00)

Ms H contacted Wakam the following month to tell them about the theft and lodge a claim for the loss of the items (she took time to obtain cost and replacement valuations for the lost items). Wakam appointed an investigator (C) to assess and validate the claim.

In an initial discussion with C in July 2023, Ms H said the items were either in the front or back of the vehicle, except for the mobility scooter and boot liner, which were in the boot. However, Ms H had forgotten she had given a lift to two friends of her son before the accident and all the items were in the boot of the vehicle. She contacted C shortly after to correct her mistake.

In a further meeting with C in August 2023, Ms H was told items would only covered if they were in the glovebox or boot of the vehicle. C also asked for details of the friends and said they would be obtaining a crime report about the theft from the police.

Wakam then contacted Ms H in September 2023 to offer a settlement of £763.94 for the lost items. Being significantly less than the total value she thought of the items lost (£3,937.96), Ms H asked for a breakdown of the settlement figure. C responded at the beginning of September 2023 to say the settlement only covered some of the items, as follows:

- Driving glasses (£397.00)
- Walking sticks (£22.95)
- Mobile Phone Holder (£9.99)
- Rollator (£334.00)

The items totalled £763.94 (less the policy excess of £50.00 leaving a net settlement of £713.94). C said the other items wouldn't be covered as the policy wording meant contents considered to be mechanically propelled vehicles such as a cycle or buggy and their parts, keys and accessories weren't covered. The mobility scooter was considered a mechanically propelled vehicle and the other items were vehicle accessories.

Ms H challenged Wakam's decision not to cover the items, as she thought the policy exclusion referred to accessories of mechanically propelled vehicles, cycles or buggies – not accessories of the vehicle itself. She also questioned some of the values of those items Wakam said they would cover: Specifically the driving glasses (which she thought had a value of £478); walking sticks (two, at a value of £45.90). Wakam subsequently accepted the revised values, which meant an amended gross settlement value of £867.89 (less the policy excess of £50) paying the sum in November 2023.

Unhappy at the settlement excluding several items, as well as the time taken by Wakam to assess the claim and offer a settlement, Ms H complained. Wakam didn't respond to her complaint within the eight weeks a business has to consider a complaint, so she complained to this Service.

She maintained her view Wakam had unfairly excluded the items from her claim, saying the wording of the exclusion referred to accessories of the examples given, not the vehicle itself. She was also unhappy at the time taken to assess the claim and pay the settlement figure and how C had investigated it. For example, asking for details of her son's friends and the police report, but then not following up either. She had a medical condition that had been significantly affected by what had happened and how Wakam handled the claim.

Our investigator didn't uphold the complaint, concluding Wakam acted fairly. The policy terms stated contents didn't include vehicles licensed for road use or other mechanically propelled vehicle such a cycle, buggy and their parts, keys and accessories. So Ms H's dog booster seat, dash cam, helmet, wing deflectors and boot liner would fall under the exclusion as vehicle accessories. Even if Wakam covered the car phone holder, it didn't mean they should cover the other accessories. On the time taken to assess and validate the claim, the investigator didn't think there were any significant delays given the nature of the claim and its circumstances.

Ms H disagreed with the investigator's view and requested an ombudsman review the complaint. She thought there had been delays in Wakam's assessment of the claim. While Wakam made a settlement offer in September 2023 it didn't break down the figure and when this was supplied, two items were undervalued. Further discussion with Wakam followed until payment was made in November 2023 (some 21 weeks after she first made her claim). Together with what she considered unnecessary questioning involved in assessing the claim, only to then decline the claim for the items Wakam considered to be accessories, meant significant delay in settling the claim.

## 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.

In considering this case I've borne in mind what Ms H has told us about her circumstances, including her health condition and its impact on her. Assessment and validation of an insurance claim can take time and is inherently stressful, more so when the claim is subject to more detailed investigation, as is the case here. I've borne this in mind when, as is my role here, deciding whether Wakam have acted fairly towards Ms H.

There are two main issues in Ms H's complaint. First, Wakam declining to cover some of the items lost when her vehicle was stolen. She says it was unfair to decline the items on the grounds of the exclusion that they were vehicle accessories. Ms H challenges Wakam's interpretation of the exclusion, saying accessories within the definition should be interpreted to mean accessories of a mechanically propelled vehicle, cycle or buggy – not accessories of the vehicle itself. Wakam say accessories in this context include vehicle accessories.

The second issue is the time taken for Wakam to assess the claim and also the way they handled the claim, including the investigation carried out by C. Ms H says it took 21 weeks from her lodging the claim to payment of the settlement. She is also unhappy at how C conducted their investigation.

As Wakam declined to cover items they considered weren't contents, I've looked at the relevant exclusion referred to by Wakam in declining to cover several items. The wording cited by Wakam is as follows:

*"Contents does not include:*

*X any vehicle licensed for road use or any other mechanically propelled vehicle such as cycle or buggy and their parts, keys and accessories."*

Ms H says the word 'their' only refers to the 'mechanically propelled vehicle such as cycle or buggy' not the 'any vehicle licensed for road use' (which would include the stolen vehicle itself. I've considered this carefully, but I don't agree. I think 'their' in this context means the entirety of the things referred to in the first part of the sentence. I also think it illogical for the wording to mean vehicle accessories are covered while accessories of the other things then listed aren't covered. More generally, vehicle accessories would be likely to be covered under a motor insurance policy (if at all).

Looking at the list of items Wakam declined to cover, I think they can all reasonably be considered accessories of the vehicle itself (or to be used in connection with the vehicle, such as the dashcam and wind deflectors) or something that would be considered to be a mechanically propelled vehicle (such as the quad bike helmet).

Ms H also makes the point that it isn't consistent or logical for Wakam to cover the mobile phone holder while not covering the other accessories. However, I don't agree. Arguably, the mobile phone holder could be seen as a mobile phone accessory rather than a vehicle accessory. And in any event, covering the mobile phone holder doesn't oblige or indicate the other accessories to be covered.

I also consider the mobility scooter to reasonably fall within the definition of a 'mechanically propelled vehicle'.

Taking all these points together, I've concluded Wakam acted fairly in declining to cover the items excluded from the settlement.

Turning to the second issue, I've looked at the timeline of events in this case.

While her vehicle was stolen in May 2023, Ms H didn't first notify Wakam of the loss of her items until a month later. This delay, together with what Wakam considered to be a lack of information surrounding the circumstances of the loss, were the reasons why Wakam appointed C to investigate the claim, instructing them at the beginning of July 2023.

When assessing and validating a claim, it's an operational decision for insurers as to how they do this and the process they follow. This includes whether to investigate a claim in more depth, as is the case here. Given the factors identified by Wakam prompting them to appoint C to investigate, I don't think their decision was unreasonable in the circumstances.

An investigation then will typically involve interviewing a policyholder (and any other parties deemed relevant to the investigation). In this case I can see an initial interview took place towards the end of July and a subsequent follow up interview in mid-August. C's preliminary report is dated at the time of the initial interview and recommended further enquiries before Wakam could decide whether to accept the claim. Looking at the report, the change in circumstances notified by Ms H following the initial interview (the location of the items at the time of the theft) was one factor in the recommendation. I don't think this was unreasonable in the circumstances.

Following the second interview, C requested details of the friends Ms H said to have been given a lift and said they would be requesting the police report. In seeking to validate the sequence of events provided by Ms H, I don't think this unreasonable – even if C subsequently doesn't appear to have pursued these lines of enquiry. In their final report, C set out the reasons for not pursuing these lines of enquiry (they didn't believe they would add further to their investigation) and I don't think the detail of their reasoning unreasonable. They conclude Wakam should settle the claim for the items covered, noting the policy exclusion set out above. C also recognises what Ms H told them about her health condition and its impact on her.

There's then Wakam's settlement offer in mid-September 2023, followed by clarification of the items covered in the settlement offer (and those that weren't). From the email exchange Ms H provided when bringing her complaint, I can see this clarification provided shortly after Ms H requested it, along with the reasons for declining to cover certain items. There then follows an exchange in which Ms H challenges the exclusion of the items and the meaning of the exclusion used by Wakam to decline cover for the items. There's also clarification of the values for some of the items, leading to a revised (higher) settlement offer because of changes to the figures for the driving glasses and walking sticks.

I don't think this sequence of events is unreasonable and I'd expect Wakam (C) to engage with Ms H where she raised concerns about the meaning of the exclusion wording and the figures for specific items.

Taking all these conclusions together, I don't think there were undue or unnecessary delays in Wakam's assessment and settlement of the claim. Nor do I think the time taken would have changed the outcome of the claim (in terms of those items covered and those items not covered). Particularly given the change in the settlement figure was in favour of Ms H.

Taking all these points together, I've concluded Wakam acted fairly and reasonably towards Ms H, so I won't be asking them to do anything further.

**My final decision**

For the reasons set out above, it's my final decision not to uphold Ms H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 22 August 2024.

Paul King  
**Ombudsman**