

The complaint

Miss H and Mr O are unhappy with Accredited Insurance (Europe) Ltd (Accredited) because it hasn't settled outstanding items under their home contents policy.

Any reference to Accredited includes all its agents.

What happened

Miss H and Mr O took out a home insurance policy in February 2021 which includes cover for buildings and contents. Accredited is the underwriter on the policy.

In July 2021, a fire occurred at the cabin where Miss H and Mr O were temporarily staying within the grounds of their main home. This was because work was being undertaken in their main home. The cabin was unfortunately entirely burnt to the ground. Miss H and Mr O said their contents, including six specified items of jewellery were lost completely or damaged beyond repair. Miss H and Mr O sadly also suffered the loss of their dog.

Miss H and Mr O raised a claim on 20 July 2021 for the loss of their general contents and jewellery. The damaged site was cleared by Miss H and Mr O prior to the appointed loss adjuster attending on 28 July 2021.

A claims investigator also interviewed Miss H and Mr O. They presented an inventory list of the loss they suffered which showed the items for the contents, excluding any jewellery items. Both the loss adjuster and claims investigator validated the claim and discussions took place between Miss H and Mr O, the loss adjuster and the insurer.

The general contents claim was accepted and paid, and the first payment was made in November 2021. Further payment was made for the contents in 2022. The claim for the contents was settled but was left open for Miss H and Mr O to provide further evidence at a later date to substantiate quantity and value of items being claimed for if they thought the offer from Accredited wasn't sufficient. No further proof was provided.

The claim for specified items within their policy schedule was partly settled. In January/February 2023, the items settled were for two watches and a pair of earrings which totalled £32,000. The two watches were a Rolex Daytona settled at £20,000 and a Rolex Oyster Perpetual GMT2 settled at £11,000. And the earrings were settled at £1,000.

Later on, in May 2023, a claim for two engagement rings was submitted and Accredited settled this too. At this point, Accredited said the claim had been fully settled.

In September 2023, another claim for the remaining two watches listed on the policy schedule was submitted. Accredited reviewed it but declined to pay the claim. It said a specific claim wasn't made when the damage first occurred and there was no evidence to support the claim for the watches. It said Miss H and Mr O hadn't provided any documentary evidence to prove ownership, the value or loss of any further watches. Accredited said the settlement was fair and reasonable based upon the evidence presented, they have no further offers to make.

Miss H and Mr O said there's nothing to suggest there's been a breach of contract, and there's nothing to deny the payment being made for the final two items lost in the fire. They can't understand why it's different for the two remaining watches in terms of agreeing settlement. Accredited has agreed to pay for the other specified items which makes the current position not to settle for the two watches incomprehensible.

Unhappy with Accredited's response, Miss H and Mr O brought their complaint to this service. Our investigator didn't uphold the complaint. She said the claim for the two watches hadn't been declined unfairly as there wasn't sufficient evidence provided in relation to the two outstanding watches. She said if Miss H and Mr O can provide sufficient evidence to substantiate their claim for the two watches then Accredited would review the information and reassess the claim.

Miss H and Mr O disagreed with the investigator and asked for the complaint to be referred to an ombudsman. So, it's been passed to me.

They submitted information again and said the claim for the specified items has always been part of the initial claim and the loss adjusters had been informed.

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.

The relevant rules and industry guidelines say that insurers must handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules into account when deciding what I think is fair and reasonable in the circumstances of Miss H and Mr O's complaint.

At the outset I acknowledge that I've summarised this complaint in far less detail than Miss H and Mr O have, and in my own words. I won't respond to every single point made. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. The rules that govern our service allow me to do this as we are an informal dispute resolution service.

This claim relates to the two outstanding watches as part of the wider claim as explained above. The key issue now is the dispute about these two watches and whilst I have been presented with substantial information, I confirm I will focus here only on the issue in dispute – which is the claim about the two watches.

I also note that Miss H and Mr O have commented on the general contents claim in their submission to us and believe the settled amount may have some missed items. As I've said above, in relation to this, if Miss H and Mr O have evidence to substantiate the items they believe have been missed, they should submit these to Accredited. Although I do note the claim for this was settled in 2022 and no further proof had been provided since.

I've started by looking at the terms and conditions of Miss H and Mr O's policy as this forms the basis of their home insurance contract with Accredited. The General Conditions are set out on page 22. They state:

'Prepare an Inventory and Proof of Loss'

You will prepare an inventory of damaged, lost or stolen personal property. The inventory should describe the property in full, as well as showing the amount insured under your policy and the actual amount of the loss. You should attach bills, receipts and other documents to support your inventory. You must provide us with any

property, records, documents information or evidence we request at your own expense.'

And on page 31, 'Section 2 – Valuables', it states:

'What is Covered

In the event of damage to valuables which are owned by you or for which you are responsible, at an insured address shown on your schedule and whilst anywhere in the world whilst temporarily removed, as a result of a sudden or unforeseen event which is not specifically excluded, we will pay:

Specified Items

- *If the item, pair or set is lost or damaged beyond economic repair the most we will pay is the sum insured shown on the schedule.*

[...]

Provided that you can provide a professional valuation for the specified item which is no more than three (3) years old at the time of loss which supports the amount being claimed.'

Based on the above policy terms and conditions, for any claim made, the general conditions of the policy require proof of ownership of the items and an inventory to be provided of the lost/damaged items. And for specified items, a professional valuation is required which is no more than three years old at the time of loss and which supports the amount being claimed.

I can't see that the evidence provided by Miss H and Mr O is sufficient for the two watches. I say this because there are emails where their broker has provided serial numbers for three watches out of the four. An email dated 5 December 2022 from the broker to Accredited confirms the third watch was no longer being claimed for as it was just a day-to-day watch with no value. So, it seems there was a claim for a third watch, but this was then dropped. And I can't see that there was ever a claim for a fourth watch until more recently in September 2023.

When the claim was submitted in September 2023, this was for the two outstanding watches as specified on Miss H and Mr O's policy schedule. I've looked at the policy schedule. The two remaining watches as per the schedule shows it can only be a Rolex Daydate President (specified value £17,000) or a Rolex Stainless Steel Daytona (specified value £7,000) that the claim could be made for. All the other items have been settled.

One of these watches was taken off the claim in December 2022. The evidence provided for these two watches consists of a photo and a valuation of a yellow gold oyster perpetual lady datejust Rolex watch. But this isn't the same make and model as the one specified on the policy. The name of the owner on the valuation is also different and not Miss H's. So, whilst I understand that it's not always the case that evidence of the items can be provided. Miss H and Mr O have said that this may have been a family heirloom. But at the very least I would have expected that when they took the policy out, at that point the watch had an up-to-date valuation. The valuation provided shows that watch was valued in 2010 at £16,130. So, it clearly wasn't valued when the policy was taken out or shows it was valued at no more than three years old at the time of loss. I don't think therefore this evidence is sufficient.

I've taken into consideration that Miss H and Mr O took the policy out in February 2021 and the claim was made in July 2021. When they took the policy out, they specified the values of

the items. I think it's more likely than not that they would have provided their current valuation as of February 2021 as the items are clearly insured for these specific values. And the makes and models have also been clearly specified. I've taken their comments into account that the information on the policy schedule may not be exact. But at the time of taking the policy out, the responsibility on them was to ensure all the information on their policy was accurate and correct. And if it wasn't, then they were required to inform Accredited at the time to make any changes. I can't see that they did this. I'm not persuaded the evidence that Miss H and Mr O have provided is sufficient as proof of ownership or value.

I acknowledge Miss H and Mr O's comments that so far, the insurer has validated and paid for items damaged in the fire, including the specified items they've claimed for. But I don't think that means that Accredited have to also settle the claim for these two watches. An insurer is entitled to make reasonable enquiries and request relevant evidence in relation to validating a claim. So, I don't think it's unreasonable that Accredited has requested evidence to substantiate the claim for the two watches.

And just because a policy schedule has a list of specified items, it doesn't necessarily mean that it has to pay out on each of those items. Necessary evidence has to be provided of those items and the onus is on the policyholder to provide this and for it to be then sufficient for a claim to be validated.

Miss H and Mr O say they provided evidence of the watches and jewellery in February 2021 to their broker, prior to the loss occurring. I've seen these images, but I don't think they are sufficient. The terms and conditions require *'a professional valuation for the specified item which is no more than three (3) years old at the time of loss which supports the amount being claimed.'* I'm not satisfied the images are sufficiently provide a professional valuation. And considering the high values of these specific items, I would have expected it to be more comprehensive than just images presented as photos.

Additionally, I can see an inventory list of the damaged items was provided to the loss adjuster. There is no information on the list about the specified items. And whilst Miss H and Mr O say they provided the list to the loss adjuster, I can't see evidence of this. But even if they had, I don't think listing the damaged items as part of the claim is the same as providing proof of ownership or valuation.

Miss H and Mr O have said they experienced delays in the claim being settled. However, having looked at what happened, I think when the claim is as substantial as this one, it's not unusual for an insurer to make additional enquiries to satisfy the validity of a claim. In the course of the assessment, it's understandable that there will be back and forth between the parties. In this case, a loss adjuster and claims investigator were appointed and then there was an issue with evidence of the contents items to be substantiated. But I don't think Accredited avoidably caused delays and I don't think it acted unfairly.

Overall, I understand the whole situation has been very challenging for Miss H and Mr O. And I have natural sympathy for them. There's no dispute here that a fire took place and that Miss H and Mr O's contents, jewellery and many other items were lost. I'm also sorry for the loss they suffered with their dog.

Despite this though, having taken everything into account, I'm satisfied that Accredited has assessed the claim in line with the policy terms and conditions and it has done so fairly and reasonably. I don't think the claim for the two watches has been declined unfairly and I think Accredited has acted fairly and reasonably.

If Miss H and Mr O have evidence to substantiate their claim for the two watches as per the requirements of their policy terms and conditions, they should provide this to Accredited directly. But, as it stands, I don't think Accredited has done anything wrong. It follows therefore I don't require it to do anything further.

My final decision

For the reasons given above, I don't uphold Miss H and Mr O's claim about Accredited Insurance (Europe) Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H and Mr O to accept or reject my decision before 27 November 2024.

Nimisha Radia
Ombudsman