

The complaint

Miss B and Mr N complain about Advantage Insurance Company Limited (“Advantage”) for declining their claim for a damaged television. They want Advantage to settle their claim.

What happened

Miss B and Mr N insured their home contents with Advantage. Their policy renewed in August 2023.

In September 2023, Miss B and Mr N added a specified item to their policy. This was a 65-inch television, purchased at the end of August 2023, for around £2000.

In late January 2024, Miss B was vacuuming in her home. She lost balance and caught the corner of the television with the vacuum. When she later tried to turn on the television it would not turn on and they surmised that the impact from the vacuum had broken the television.

Miss B contacted Advantage and reported the incident and brief details of the incident were recorded.

Advantage engaged a third party to assess the damage. That third party assessed the television and confirmed that it had sustained an impact to one corner and that it no longer worked. There was no suggestion made that any other event had caused the damage or that that damage was inconsistent with the account given.

Advantage’s agent spoke with Miss B and Mr N a number of times and repeatedly asked for evidence and further detail about the incident which caused the damage. These conversations took place over the period of around a month after the claim was submitted. Miss B and Mr N provided all requested evidence.

Eventually, Advantage declined the claim in late February 2024. It stated that Miss B and Mr N had not satisfied Advantage on how the damage occurred, or that it was due to an insured event.

Miss B and Mr N complained to Advantage. Advantage sent its final response in April 2024 maintaining its decision.

Miss B and Mr N were not happy and contacted us.

Our investigator looked into this matter and recommended the complaint be upheld. He considered that the claim should be settled in line with the remaining terms and that Advantage should pay to Miss B and Mr N £150 compensation for their distress and inconvenience.

Miss B and Mr N accepted that recommendation. Advantage did not.

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.

I have read my colleague's assessment of this matter and I agree with his view and uphold this complaint.

As he explained, Miss B and Mr N had cover for accidental damage, which is defined in the policy documentation as "sudden, unexpected and physical damage from an external identifiable cause which has not been caused on purpose".

Advantage does not consider that this definition has been met, because it says that Miss B and Mr N were inconsistent in their accounts of the circumstances which gave rise to the vacuum cleaner knocking into the television.

I have listened to the calls where Miss B and Mr N gave accounts of what happened, and I find their accounts to be overall consistent about what happened. There were minor inconsistencies and points when they were unable to answer questions from the agent, including where Miss B's feet were placed at the time of losing balance, but I do not find that unusual. Their accounts are clear that the television was knocked by a vacuum cleaner, during cleaning of the room, and that the television no longer worked after this. This is supported by Advantage's third-party assessors' assessment of the television following inspection.

During the calls, Advantage's agent repeatedly questioned Miss B and Mr N about each other's comments and at times the agent misquoted previous information and asked them to account for discrepancies which were not there. This undoubtedly made them wary of being expansive during those conversations. Again, I do not find this unusual and in my view the style and extent of the questioning was disproportionate to the level of the claim and to the extent of any perceived discrepancies.

In this circumstance we have an insured item, which appears to have been physically damaged by a sudden, unexpected cause. This meets the definition of accidental damage, and so unless Advantage can support a view that some other circumstance applied the claim should succeed.

Advantage has not asserted any other situation existed, so the claim should succeed.

Insurers are entitled to scrutinise claims, and to even do so robustly, but they are also expected to treat accounts from consumers in the utmost good faith. I do not think that they have done so in this instance and this, along with the decline decision, will undoubtedly have caused Miss B and Mr N distress and inconvenience.

Miss B and Mr N have, due to the delay in Advantage's decision and in the time for this process, bought a replacement television. The claim should therefore be settled as a cash settlement.

Putting things right

In order to put things right, Advantage should now settle the claim by cash settlement based on the value of the same or a comparable specification model. As Miss B and Mr N had to buy a replacement themselves, and so have been denied use of their money for this time, Advantage should also add interest at a rate of 8% per annum from the end of February 2024 up until the date of settlement.

Advantage should also pay to Miss B and Mr N £150 compensation for their distress and inconvenience.

My final decision

For the reasons set out above, I uphold Miss B and Mr N's complaint and direct Advantage Insurance Company Limited to:

- Accept and settle Miss B and Mr N's claim, by cash settlement;
- Add to the settlement interest at a rate of 8% per annum from end of February 2024 up until the date of settlement; and
- Pay to Miss B and Mr N £150 compensation for their distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B and Mr N to accept or reject my decision before 20 November 2024.

Laura Garvin-Smith
Ombudsman