

The complaint

Miss T has complained about the amount Accredited Insurance (Europe) Ltd has offered to settle a claim made under her contents insurance policy.

Reference to Accredited includes its agents and representatives.

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.

Our investigator thought Accredited had acted fairly. I agree, and for the same reasons, so I don't think there's a benefit for me to go over everything again in detail. Instead, I'll summarise the main points:

- Miss T got in touch with Accredited after she noticed she'd lost the diamond from her ring. She provided a quote from a jeweller to replace the diamond and repair and resize the ring, for around £2,300.
- Accredited said it would only cover the cost to replace the diamond, as the other work wasn't covered by the policy. Based on how much it would cost its own jeweller to replace the diamond, Accredited valued this work at £1,252. After deducting the policy excess, that meant an offer of £1,152 – which Accredited paid.
- Miss T initially said Accredited should cover some of the other work, but later seemed to accept it wouldn't. She said she'd complained because she didn't think Accredited's valuation was enough for her to have the diamond replaced. She also raised some points about the way Accredited had handled the claim.
- The policy says Accredited has the option to settle the claim by making a cash payment or carrying out a repair. It doesn't say whether a cash payment will reflect the cost to Accredited or Miss T. This is relevant because the cost to an insurer can sometimes be less than the cost to a policyholder because of discounts insurers can access – but not always.
- Accredited's valuation of £1,252 is based on its estimate of the cost to replace and fit the diamond, if it had the work done by its agent. And this was based on the information Miss T provided from her jeweller about the ring. As a result, I'm satisfied the valuation is a reflection of the likely cost Accredited would face if its agent did the work. Accredited paid £100 less, as it deducted the policy excess, which is fair.
- Whilst Miss T says she's been told the cost she would face for the same work is greater, I haven't seen any evidence to support this. So, as it stands, I don't know that Miss T would have to pay more than Accredited's valuation. And it follows that I have no evidence to show Accredited's valuation would leave her with a shortfall. As a result, I'm satisfied Accredited's payment is fair based on the current evidence.

- Miss T is entitled to share further evidence with Accredited about the cost she would face for the same work. If she does, I would expect Accredited to consider whether that changes its position.
- Miss T has said she was initially offered £1,500, before it was later reduced. However, I haven't seen any evidence to show Accredited made this offer – and Accredited has checked its jeweller's communication with Miss T to confirm such an offer wasn't made. The only offer I've seen is for the amount Accredited paid. So I'm not satisfied Accredited ever made a higher offer.
- I know Miss T rejected Accredited's offer but Accredited nonetheless made the £1,152 payment to her. I don't think that's unreasonable. Accredited was prepared to settle at that amount, so it was fair for Miss T to have that money, even if she thought more was due. If Accredited later agreed, or was required by this Service, to pay more, the difference could be paid. But at least Miss T would have the benefit of the money in the meantime.
- Miss T says she sent Accredited a number of emails that weren't replied to. I've only seen evidence of one such email and that was sent after Accredited provided its complaint response. It would have been preferable for Accredited to acknowledge Miss T's contact. But it wasn't required to engage with the complaint further – it had already set out its final response and let Miss T know she was entitled to refer the complaint to this Service if she was unhappy with it. Miss T did so shortly after.
- Aside from that, I haven't seen anything which gives me cause for concern about the service Accredited offered. The evidence I've seen shows it progressed the claim reasonably promptly and kept Miss T updated as it did so.
- Whilst I think Accredited ought to have responded to the email, the evidence before me doesn't show the service overall was sufficiently poor to warrant compensation. If Miss T has evidence of other emails that weren't responded to, or other failings in Accredited's service, she's entitled to get in touch with Accredited about it and I'd expect it to consider whether its service warrants compensation.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 2 December 2024.

James Neville
Ombudsman