

The complaint

Ms M complains that The Baxendale Insurance Company DAC hasn't handled her claim under her Transit and Storage Insurance policy correctly.

Any reference to Baxendale also includes its agents.

What happened

Ms M was moving abroad and arranged for her personal property to be transported to her new home. She took out an insurance policy to cover this event with Baxendale. In 2022, when the goods arrived at her new home after a time in storage, Ms M said items had been lost, damaged, or destroyed.

She therefore submitted an insurance claim. Baxendale made payment for some of the items, however, it refused to pay for some damaged items, saying Ms M had disposed of the goods and so there wasn't any evidence to support the claim. Baxendale said that the policy requires goods to be kept for inspection and shouldn't be disposed of without the written consent of the claims handler.

Ms M was unhappy with this outcome and complained to Baxendale. She said that she wasn't told to keep the damaged items until the day after reporting the damage, by which time the property had been disposed of. Ms M said that there was a lot of broken glass which she had cut herself on and so it was a health and safety risk to keep this in her property. And in relation to some electrical items which Ms M says were broken in the move, Ms M said she would have to pay for someone to come and inspect the items and she didn't have the funds to do so. But she said that Clause 11 of the policy states Baxendale will arrange for an inspection – which it hasn't done.

Baxendale reviewed the complaint and issued a final response letter on 25 January 2024 maintaining its stance. Ms M brought her complaint to this service. Our investigator looked into the matter and found that it was reasonable for Ms M to have disposed of some of the goods and recommended that Baxendale settle this aspect of the claim which totalled £3,345. The investigator also recommended that a sum of £250 should be paid to Ms M as compensation for distress and inconvenience. And in respect of the electrical items, he didn't find that Baxendale had done anything wrong by insisting on evidence in the form of expert opinions on the items.

Baxendale disagreed with our investigator's recommendations. It reiterated that Ms M hadn't provided any evidence of loss in relation to the disposed goods, despite being aware of the policy requirement for approval to be sought before disposal. And it didn't think it was necessary to pay compensation to Ms M as it felt it had tried to work with her in a sympathetic, respectful and timely manner to bring the matter to a conclusion. Baxendale however made a goodwill offer to settle 50% of the damaged goods (not including the electrical items) which it calculated to £1,672.50.

This offer was put to Ms M but was rejected. And in response to the investigator's opinion, Ms M said she agreed with the settlement offer of £3345 and the compensation of £250,

however, she disputed that Clause 11 of the policy didn't require Baxendale to pay for the inspection of her damaged electrical items. She also said that it was a conflict of interest for the removal company to be allowed to assess her insurance claim when it was them that caused the damage.

As no agreement could be reached, the matter has been passed to me to decide.

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.

What has been detailed above is only a brief summary of the circumstances of the complaint. It is very clear to me Ms M's strength of feeling regarding this matter and how frustrated she has become with the process of claiming for her property. I can appreciate how upsetting this has been for her. I've also noted Ms M's personal circumstances, in terms of her health and her financial situation as a result, which no doubt has made this quite a stressful time.

Ms M has raised a number of different points and provided detailed submissions in relation to this issue. But it is important to point out that we're an informal dispute resolution service, set up as a free alternative to the courts for consumers. In deciding this complaint I've focused on what I consider to be the heart of the matter rather than commenting on every issue or point made in turn. This isn't intended as a discourtesy to Ms M. Rather it reflects the informal nature of our service, its remit, and my role in it.

Ms M has made a complaint previously to this service in relation to her claim and a final decision was issued. As I cannot look into matters that have already been considered and decided upon by an ombudsman, this decision will only focus on those areas more recently complained about which didn't form part of the previous decision.

I've noted Ms M has said there is a conflict of interest and a governance issue in relation to the individual who has been handling her claim, who she says is linked to the removal company. This service doesn't have any jurisdiction over who the insurer chooses to appoint to assess its claims, we can only consider whether the insurance claim has been handled in a fair and reasonable way, either by the insurer or the agent it appoints or the company it gives authority to in order to assess the claim. I'm therefore unable to comment further on this subject.

Damaged items totalling £3,345

Ms M has said that when unpacking her items some were damaged, and the amounts listed below that she claimed for are still outstanding:

- CD and tapes - £2615
- Degree certificates - £500
- Mugs - £80
- Winnie the Pooh mugs - £40
- 20-piece dinner service - £50
- Tea set - £60

Baxendale has said that Ms M hasn't provided evidence to support the damage of these goods as the items were disposed of. As it hasn't had the opportunity to review the extent of

the damage, Baxendale says Ms M has prejudiced its position. In relation to the CDs and tapes, Baxendale has said it is unclear if it was just the outer casings that were damaged, or the CDs and tapes themselves. It stated that Ms M was made aware of the need to keep these goods. Baxendale also said it believed that only the dinner service was made of glass.

In response, Ms M has stated that the CDs and tapes were smashed into pieces, not just the covers and casings. And this was the same with the mugs, tea set and dinner service which she states were all made of glass – not other materials as Baxendale suggested. Ms M said that she cut her hands on the broken glass and therefore it was a health and safety risk to have this in her home. In reference to the degree certificates, Ms M said that these were shredded from water damage and so they were thrown away on the first day of unpacking.

I've thought about this carefully. It is generally accepted that it is for the policy holder to prove that they have a valid claim under an insurance policy and therefore I don't think the requirement to provide evidence to show that the items were damaged is unreasonable. However, my role is to consider what is fair and reasonable taking into account the individual circumstances of the case.

Ms M has made us aware of the serious health issues that she has been suffering from and so I can appreciate the concern in relation to infection if she was to cut herself on the glassware or any other broken or shattered pieces, such as sharp plastic from the CDs and the casings. I note Ms M has said that she did in fact sustain cuts to her hands – so I don't think it's unreasonable for her to want to prevent any further risk to herself by disposing of the goods.

In relation to the certificates, it seems reasonable that paper which was water damaged to the extent Ms M has suggested is likely to be unidentifiable, and therefore I'm not sure what Baxendale would have gained if Ms M was to have kept it in her property. Ms M has stated from the outset that when she notified Baxendale of the damage, she wasn't told to keep the goods and only later she was informed to just take a few photographs, although I appreciate that this is contested by Baxendale. From the extensive information made available, Ms M's account of the situation has remained consistent since the time of the incident, and I therefore have no reason to doubt her testimony. So, I'm persuaded it's more likely than not that these items were damaged beyond repair. I'm satisfied that the fair and reasonable outcome is for Baxendale to settle this part of Ms M's claim in full, in line with any remaining policy terms and conditions.

Ms M first notified Baxendale that there had been damage to her items in June 2022. The previous final decision issued in 2023 stated Baxendale should continue to work with Ms M to reach an agreed settlement for the outstanding items of her claim in line with the policy terms and conditions. However, there has been protracted correspondence on this issue throughout this time. This does appear to have been a challenging situation for both parties, however, Ms M's frustration with this situation and the delays in getting this resolved are clear. And considering the severity of her medical condition, I do appreciate how upsetting and difficult this matter will have been for her. In the circumstances, I'm persuaded that a sum of £250 as compensation in recognition of this should be paid.

Electrical items

Another part of Ms M's claim relates to electrical items, including items such as a TV, DVD player, printer, and Hi-Fi. Ms M has said these were also damaged in the move. Baxendale has said she needs to provide evidence of the extent of the damage to these items. Ms M says that to obtain this information she will need to pay someone to review the goods and she doesn't have the funds to do this. She says this cost should be met by Baxendale and she believes that Clause 11 of the policy makes this clear.

Clause 11 states the following:

'You maybe asked to provide information that is reasonably required to substantiate Your Claim.

If requested, damaged Goods must be made available for inspection either by the Claims Handlers or a third party appointed by the Claims Handlers to assist in the Claim such as a restorer, loss adjuster or expert

. You will only be asked for information relevant to Your Claim such as, but not limited to;

*...
• Reports detailing damage;'*

Our previous final decision considered the wording of Clause 11 was clear and the Ombudsman didn't find that the wording meant Baxendale must inspect the damaged goods. The Ombudsman stated the wording just required Ms M to have the items available for inspection if Baxendale chose to inspect them. I understand the financial situation Ms M has found herself in and I have great sympathy for her, but this doesn't mean that I think Baxendale is responsible for proving her claim for these items. It is her responsibility to show that a valid claim is being made under the policy. And if she is stating that these items are damaged she needs to evidence this. I don't think it is unreasonable for Baxendale to ask for reports of the damage to these items to be provided in support of this claim.

Putting things right

Baxendale needs to do the following:

- Settle the claim for the items totaling the sum of £3,345 taking into account any remaining terms and conditions of the policy. Baxendale should also pay 8% simple interest per annum on any payment from one month after the claim was made until the date of settlement.
- Pay Ms M £250 as compensation for the distress and inconvenience caused.

My final decision

As stated above, I uphold this complaint in part. I direct The Baxendale Insurance Company DAC to put things right as detailed.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 6 December 2024.

Jenny Giles
Ombudsman