

The complaint

Miss G has complained about her contents insurer AXA Insurance UK Plc because it declined to settle her claim for stolen jewellery.

What happened

In 2023 Miss G's home was broken into and some electrical items and jewellery were taken. AXA began assessing the claim, it involved a jewellery specialist and it was about to settle for the jewellery in full when it became aware of two previous theft claims Miss G had made (with two different insurers). AXA undertook further investigations and subsequently told Miss G it was declining the part of her claim for jewellery outright – it would not provide any settlement to her (the electrical items had been settled).

In a final response letter (FRL) of February 2024 AXA said that given the value of her jewellery it didn't think she'd provided sufficient proof of ownership to evidence her claim. It also said that as she had suffered previous thefts, she should have kept receipts when replacing the items subject of those claims but hadn't done so.

Miss G felt that was unfair – she felt she had provided a reasonable level of proof that she had owned the items claimed for. She complained to the Financial Ombudsman Service.

Our Investigator considered the complaint and issued some findings. Miss G wasn't happy with what our Investigator had said. So her complaint was referred to me for an Ombudsman's decision.

Having considered matters, I felt AXA had acted somewhat unfairly and that it should be settling for most of the claimed for jewellery items. So I issued a provisional decision to explain my views to both parties as to which items I believed it should settle for and those few for which I thought its decline was reasonable. My provisional findings were:

"I note that AXA initially had no issues with this claim – in fact it was on the verge of settling it in full when new information came to light that gave it cause to pause its settlement. That new information was about the previous claims. I'll set out here that I think it was entirely reasonable that this information stopped the settlement in its tracks and prompted AXA to undertake further investigations. However, that doesn't necessarily then mean AXA can reasonably decline liability for all items subject of the current claim.

I'll also note here at the outset that there were quite a number of items stolen and it isn't for this Service to handle or assess a claim. So it isn't really for me to analyse each item on the jewellery list, try and cross reference each with photos and then decide whether those photos reasonably support the loss. That is the role of the insurer and usually a jewellery specialist. Here AXA did have a jewellery specialist involved early on – but later, when it would have been really valuable to get specialist input as to what further photo evidence provided by Miss G showed, AXA didn't take that opportunity.

I further note that shortly after AXA noted the previous claims, it seems to have jumped to an unsubstantiated assumption about those claims, which it passed on to its loss adjuster. The

loss adjuster then undertook the further enquiries about the current claim in light of AXA's assumption. I'm not persuaded those further enquiries were undertaken with an open mind – I think they were coloured by the assumption, presented as fact by AXA, that the two previous claims were fraudulent. Let me be clear. There is no evidence those two claims were anything other than genuine. But I think the further enquiries undertaken, and likely even AXA's final claim decision, were predicated on the fact they were not.

I've been referencing two previous claims up to this point. One was dated 2017 and one 2019. But AXA, during its claim investigations, only gathered verifiable expert evidence regarding the 2017 claim. I know it spoke to a claims representative from the 2019 insurer – but I don't find two representatives discussing some descriptions of jewellery particularly compelling evidence. In contrast the 2017 claim was handled by the same jewellery specialist AXA utilised in the early stages of this claim. So I accept that the jewellery specialist was in a position to be able to compare items claimed between the two claims (that from 2017 and the current 2023 claim with AXA). If AXA had wanted to show that items claimed for in 2019 were likely being claimed for again in 2023, it should have looked to gather better detail. As it is, it hasn't satisfied me that is the case so I'm discounting, from the rest of my assessment, the 2019 claim and what that may or may not say about the current 2023 claim.

In short – AXA had some good reason for some concern, but then it failed Miss G in some of its considerations and ultimately, hasn't shown a strong enough level of proof to suggest no settlement at all for any jewellery items is reasonable. I need to think then about what AXA must do now. To do that, on this occasion, I'm going to apply a 'broad-brush' approach. Given everything I've set out here, I'm satisfied that, on this occasion, it's fair and reasonable for me to do so in this case. In the remainder of my decision, I've used the numbering from the jewellery specialist report generated on 25 May 2023.

There were 23 items of jewellery claimed for (numbered 1-26 on the expert loss list, with numbers 1, 6 and 12 being blank or duplicate records). Before AXA's legitimate concern arose about the 2017 claim it was satisfied that all 23 items had either been evidenced as owned or were likely owned even though that ownership hadn't been supported in evidence. Of those 23, eleven were not subject of the 2017 claim. I think it's fair to say AXA should settle for those eleven items – there's no suggestion they were stolen previously and AXA's claim decision was made about these items before its assessment was coloured by the assumption it later made (which I've explained above). Those eleven items are; 3, 9, 11, 16, 17, 18, 22, 23, 24, 25 and 26.

That leaves twelve items that were felt by AXA's jewellery specialist to have been subject of the 2017 claim. They are: 2, 4, 5, 7, 8, 10, 13, 14, 15, 19, 20 and 21. I think it was reasonable that, for these items, AXA wanted to be further satisfied that Miss G had owned these items in 2023 ie that she had replaced them like-for-like following the 2017 insurer's claim settlement.

As far as I can see Miss G answered AXA's further questions about the items as best she could. I think, in the main her answers were reasonable and, if taken with photographic evidence of items being worn, show on balance the items were likely owned by her in the run up to the 2023 loss. That is based in part on the descriptions given for the additional photos Miss G provided to AXA's loss adjuster in December 2023, but which were not forwarded to the jewellery specialist for further expert assessment. In lieu of AXA undertaking that type of reasonable assessment, I'm satisfied it's fair for me to take those descriptions at face value, which is what I've done. Given all that detail, I'm satisfied that AXA should settle for items: 2, 4, 7, 8, 10, 13, 14, 15 and 21.

That leaves three items that I feel reasonably need further and more specific consideration from me. They are; 5-[branded] crystal hoop earrings, 19-white gold engagement ring and 20-yellow gold engagement ring.

Item 5 – To this point I've not seen any photo or detail about these earrings. On the basis of there being no photos which evidence that Miss G likely owned these earrings, and I understand there is no receipt or other purchase information, I think it's reasonable for AXA to not settle for this item.

Items 19 and 20 – There are some photos with descriptions either referencing engagement rings or using descriptors for rings which may or may not apply to these particular engagement rings. In respect of both rings, photos were initially provided by Miss G which pre-dated the 2017 loss. Miss G has provided some detail about how the rings in those photos were lost and replaced and maybe lost again before being replaced by the rings she is actually claiming for in 2023. I think that, in respect of these two rings, the circumstances around them are just too uncertain for me to think AXA should reasonably have to settle for their loss.

In summary then, I think AXA should settle Miss G's claim for jewellery in respect of all items claimed for with the exception of items 5, 19 and 20 on the list dated 25 May 2023. That list included settlement sums but given that the price of gold has risen sharply in recent years, those figures may now be out of date. So I'll require AXA to have its jewellery specialist re-price the 20 items I think it should settle for. It will be up to AXA whether it offers to settle for these items in cash, by voucher or similar, or by use of its jewellery service (which fabricates like-for-like replacements).

I appreciate it's been difficult for Miss G being without these items. I also appreciate that she's been put to a lot of effort during AXA's further investigations. But, as I said above, I do think AXA had good cause for concern and that it was reasonable for it to want to review the claim by undertaking those further enquiries. So, on this occasion, I'm not going to require AXA to pay any compensation to Miss G to make up for the delay in settlement or for other distress and inconvenience she's been caused during or as a result of its enquiries."

Miss G indicated she was pleased with the outcome. But she said she had a receipt for item 5, purchased in 2022. Upon request by our Investigator, she provided a copy of that receipt. I was satisfied that this meant AXA should be settling for this item – so I shared that view and a copy of the receipt with AXA.

AXA responded on item 5 and my wider provisional findings. It said it had nothing further to add and would await my final decision.

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.

Provisionally I was minded to find that AXA's decline regarding items 5, 19 and 20 was reasonable. In respect of item 5, that was because I'd seen no detail or evidence which suggested Miss G had owned it before the theft incident in 2023. However, Miss G was able to provide a receipt for this item showing she purchased it in 2022. As such I'm satisfied that AXA's decline regarding item 5 can't reasonably be maintained. I think it should be settling with Miss G for item 5. As such I've removed this item from the 'excepted' items set out in my award below – now the only items AXA does not have to settle for with Miss G are the two engagement rings, numbered 19 and 20, on the May 2023 list.

Having reviewed the parties' responses to my provisional decision, save for the change detailed above regarding item 5, I find there's no need for me to amend anything I said provisionally. As such, my provisional findings, along with my comments here, are now the findings of this, my final decision.

Putting things right

I require AXA to settle Miss G's claim for all stolen jewellery items set out in the 25 May 2023 jewellery specialist's list – with the exception of items 19 and 20. It's settlement will have to be recalculated based on current prices and it can choose which method of settlement to offer Miss G.

My final decision

I uphold this complaint. I require AXA Insurance UK Plc to provide the redress set out above at "Putting things right".

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

Fiona Robinson
Ombudsman