

The complaint

Mrs and Mr O complain that Avantia Insurance Limited (Avantia) unfairly declined to settle a claim on their home insurance policy.

References to Mrs O or Mr O, will include the other.

What happened

Mr O accidentally damaged his prestigious watch whilst on holiday. He obtained an estimate for the required repairs. This was approximately £1,300.

He made a claim on his home insurance policy in which the watch was listed as a specified item. Avantia declined to settle the claim. It said it wasn't covered because Mr O had not reviewed the value of the watch, as was required under the terms of the policy.

Mr O said he wasn't advised to have an updated value on the watch.

Because Mr O was not happy with Avantia, he brought the complaint to our service.

Our investigator upheld the complaint. They looked into the case and was not satisfied the requirement to have his watch inspected by a qualified jeweller was brought to Mr O's attention in a sufficiently clear way, and therefore the claim should be paid, plus 8% simple interest. They said compensation of £150 for the distress and inconvenience caused should be paid.

As Avantia is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

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 looked at Mrs and Mr O's home insurance policy documents. The policy was taken out at the start of December 2023. I saw in the policy schedule "*specified items within and away from the home* section" that the prestigious watch in this case is listed, with a sum insured value of £6,000. The make and model is detailed.

He made the claim in May 2024 after the watch dropped from a shelf and was damaged.

Avantia declined to settle the claim due to the watch not having a valuation or inspection report from the last three years as is required according to the policy's terms and conditions. It said the policy wording clearly states that any jewellery or watch worth more than £5,000 must be inspected by a qualified jeweller within three years prior to a claim being made.

Insurance policies will have different conditions, and any key restrictions should be made sufficiently clear in the policy documentation. It's common for policy holders to list and insure

individual high value items. In this case requiring an inspection by a qualified jeweller every three years for such items is a significant restriction on the cover provided and should be clearly highlighted in the policy documentation provided to Mr O.

I looked at the policy documentation. I saw that on page 67/68 of 85 pages in the terms and conditions policy it says;

“Not covered

- *Jewellery or watches individually worth more than £5,000 that haven’t been inspected and fixed (where a fix is needed) by a Qualified Jeweller within three years of the claim being made.*

Damage to jewellery or watches worth more than £5,000

To make a successful claim, jewellery or watches individually worth more than £5,000 will need to have been inspected and fixed (where a fix is needed) by a Qualified Jeweller within three years of the claim being made.”

The terms and conditions are accessed on the website. I didn’t see that this exclusion was mentioned in any other policy documents that were specific to Mr O’s policy.

I acknowledge that Avantia have said that without an inspection within the last three years, it remains unclear whether pre-existing wear and tear might have contributed to the damage caused by the incident. It said the exclusion is not solely about the valuation of the item; it exists to ensure high-value items are regularly inspected and properly maintained, enabling timely identification and resolution of potential issues.

I saw Mr O had owned the watch for approximately 15 years and had last had it serviced in 2018. It was properly maintained as per the manufacturers required timeline.

In this case the watch was smashed due to the drop. This is an incident that could not have been identified prior to it happening. I saw the watch bracelet was replaced during the repairs and this cannot be connected to the watch being dropped. Mr O accepted this and didn’t claim for the cost of the bracelet replacement.

I would expect to see all key policy restrictions clearly highlighted in the policy schedule, but in this case I don’t think Avantia clearly highlighted this significant restriction in the documentation provided to Mrs and Mr O and this has disadvantaged them. I am persuaded that if this restriction had been obvious in the policy schedule sent to them that they would have complied with the requirement to have a more recent inspection completed to the watch. I think it was unfair for Avantia to apply this restriction in this case.

Therefore, I uphold Mrs and Mr O’s complaint and require Avantia to pay the cost for the repairs to the watch of £1,370 minus £99 policy excess, and pay £150 compensation for the distress and inconvenience caused.

My final decision

For the reasons I have given I uphold this complaint.

I require Avantia Insurance Limited to pay Mrs and Mr O:

- £1,271 plus 8% simple interest from the date the claim was declined to the date of settlement.

- £150 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O and Mr O to accept or reject my decision before 25 March 2025.

Sally-Ann Harding
Ombudsman