

The complaint

Miss A complains after Lloyds Bank General Insurance Limited (Lloyds) declined her claim, following a theft at her property.

What happened

Following a break-in at her property at the end of October 2023, Miss A raised a claim with Lloyds.

Due to the circumstances of the claim (including what was being claimed for and previous claims' history), Lloyds made the decision to attempt to validate it through a home visit. Following this, Lloyds raised several concerns with Miss A. These included:

- the claim event being similar to two previous claims under the same policy;
- the value of the jewellery being claimed for, increasing in value from the estimate given to the police from £3,000 to £8,700; and
- photos of some of the stolen jewellery were found on Miss A's phone with data appearing to show they were taken *after* the burglary.

Lloyds made the decision to decline the claim. They also cancelled the policy from the date of the burglary and didn't refund any premiums. Lloyds said they were entitled to do this under the terms of Miss A's policy.

Miss A complained. She said the claim hadn't been declined fairly and she was unhappy with several issues including the time taken and that it was declined only after a surveyor had been sent round - suggesting the claim was going to be approved.

Our Investigator looked into the complaint, but he didn't think it should be upheld. He said Lloyds had acted fairly in declining the claim and that the policy terms and conditions allowed for them to cancel the policy without refund, from the claim event date.

Miss A remains unhappy and so the complaint 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.

Having done so, I don't uphold this complaint. I'll explain why.

Miss A's policy terms and conditions, state that Lloyds won't pay a claim, if it is *"fraudulent, or exaggerated or untrue information has knowingly been given...to get cover or a lower price"*.

Whilst it isn't my role to determine if Miss A has acted in any of these ways, I will decide if on balance, Lloyds have fairly investigated the claim before declining it in line with the policy terms.

Miss A has provided written responses giving her explanation as to the different circumstances from the previous claims and the increase in claim value from the estimation given to the police. However, I don't consider her explanation regarding the photos to be plausible or sufficient. And I ultimately don't find that her responses undermine the actions taken by Lloyds when declining this claim.

Miss A's phone meta-data shows the photos on the phone post-date the burglary. Miss A has said this is because they are a photo of real photos she took of the items (following a previous burglary). However, the phone photos have a wider view than the printed photos, which Miss A says were the originals. Her explanation for this is that the aspect ratio is different, but this doesn't explain how the phone photos could have wider background than the printed ones, if they were taken subsequently. Because of this, I think Lloyds have acted reasonably in declining the claim under the exclusion stated above.

I'm satisfied Lloyds were also entitled to cancel the policy from the event date, without refunding premiums. This is made clear in the policy where Lloyds state that if a claim is declined for the above reason, they can, *"cancel your policy from the date it happened, and we won't refund any of your premium"*.

I note that the claim was declined only after contractors for home repairs had been appointed and an excess had been paid. Whilst I know this will have been very frustrating, Lloyds were still entitled to fully investigate the circumstances of the claim given the concerns I outlined earlier in this decision. In any case, the policy excess is the first part of any claim that the policy holder must pay to allow a claim to progress. In some cases, a business may choose to deduct the excess from any policy settlement. But I note that the excess amount was later refunded.

I am also aware Lloyds haven't been able to provide a copy of the recorded initial interview with Miss A. However, there isn't anything in dispute from that conversation that has had an impact on whether I think Lloyds has declined the claim fairly. Instead, it was the initial stages of the claim that gave rise to concerns that Lloyds chose to investigate further by carrying out a home visit – and that's ultimately why they've declined the claim.

Overall, I find Lloyds claim decline to be fair, reasonable and in line with the policy terms. My decision will disappoint Miss A, but it brings to an end our Service's involvement in trying to informally resolve her dispute with Lloyds.

My final decision

My final decision, for the reasons stated above, is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 21 February 2025.

Yoni Smith
Ombudsman