

## **The complaint**

Mr C complains that Accredited Insurance (Europe) Ltd (“Accredited”) offered an unfair settlement for a claim made under his home insurance policy following a theft.

Any reference to Accredited in this decision includes its appointed agents and representatives.

## **What happened**

In December 2023, Mr C contacted Accredited to make a claim when his home was burgled. Following the burglary, police and forensics attended the property to investigate. And Accredited began to make enquiries to validate the claim.

Mr C says the stress of the situation meant he had to be hospitalised. When he was discharged several days later, he says he began to collate as much evidence as he could to assist with Accredited’s enquiries.

Throughout January and most of February 2024, enquiries were ongoing and Mr C says he sent Accredited any information and evidence he could find, but also let it know that many of the stolen items were gifts, and that he didn’t have photos or other evidence for some of the items claimed for. Towards the end of February, he says he was told by the loss adjuster not to expect the claim to be validated for most of the items.

In March and April Mr C says he continued to send relevant emails, photos and other evidence to Accredited. And he was asked to have a video call towards the end of April to go over the claim details again. Mr C says he felt like he was being interrogated as if he was the one who had committed a crime. The enquiries continued throughout May and in June, when Mr C sadly suffered a heart attack.

From June until August Mr C says several phone calls were made to Accredited requesting updates on the claim, and finally, in August, Accredited told Mr C it would be making an offer of £5,000 in settlement of the claim due to the absence of sufficient supporting evidence.

Mr C complained. He said he’d taken out the policy with the maximum cover to ensure it would adequately cover their contents. And that he’d sent Accredited plenty of evidence of the stolen items. In its response to the complaint, Accredited said the onus was on the customer to substantiate the loss incurred and whilst photos had been sent, there were no receipts or documentation for any of the items, including watches. It added that evidence such as receipts, valuation reports, proof of purchase and other documentation would be required to assist in validating the claim – and that this was made clear in the policy terms. It told Mr C that the lack of receipts or documentation meant the true cost of the items couldn’t be determined.

Accredited also said in its response that, following a review of the claim, it would be increasing the settlement offer to £6,306.14 – which would cover the cost of the kitchen flooring, the wardrobe, the herringbone flooring, the ottoman bed, the filing cabinet and the chest of drawers. It said it was willing to cover these as these items had been seen as

damaged either in person or in photos, and that even though they were not beyond economic repair, it would pay the replacement cost to prevent inspections being required.

Mr C didn't accept Accredited's response, or its increased offer. So he referred his complaint to this service. Our Investigator considered the complaint, but didn't think it should be upheld. He said that in the circumstances – and in line with the policy terms – Accredited was entitled to apply a strict burden of proof and only pay for items that had been fully evidenced with proof of ownership.

Mr C didn't accept our Investigator's opinion and wanted the matter to be decided by an Ombudsman, so the complaint has now come to me for a 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.

As this is an informal service, I'm not going to respond here to every point raised or comment on every piece of evidence Mr C and Accredited have provided. Instead, I've focused on those I consider to be key or central to the issues in dispute. But I would like to reassure both parties that I have considered everything submitted. And having done so, I'm not upholding this complaint. I'll explain why.

Firstly, I was very sorry to hear about what Mr C and his family have been through. It's not at all my intention to minimise in any way what I know was an incredibly traumatic experience for them. My role is to look into how Accredited handled the claim, and whether it did so fairly and in line with the terms and conditions of the policy Mr C held with it at the time.

The policy terms say, under "*What is insured?*", that cover of £1,000,000 is provided for buildings and cover of £75,000 is provided for contents. The policy covers "*damage or loss caused by things such as fire, storm, flood, theft, escape of water, malicious acts and subsidence*". It also says that items over £2,000 must be specified.

It's not uncommon for insurance policies to also contain clauses which say evidence will be required to substantiate claims. In Mr C's policy it says:

*"Your insurer may ask for additional information, depending upon circumstances and value, which may include the following:*

- *Original purchase receipts, invoices, instruction booklets or photographs, bank or credit card statements, utility bills, pre-purchase surveys, or plans or deeds of your property.*
- *Purchase dates and location of lost or damaged property."*

So I've considered whether Accredited acted in line with the policy terms. And from the evidence I've seen, although at times its customer service could've been better, I do think overall Accredited acted in line with the terms of the policy. I say this because I've found the detailed claim notes provided by Accredited to be persuasive here. They indicate that there was a significant lack of evidence to validate claims in respect of most of the items.

Our general approach to claims of this nature is that if most of the items can be evidenced, then we'd expect an insurer to accept most if not all of the remaining items on a similar basis. However if there aren't any receipts or documents evidencing most of the items, then we wouldn't generally expect an insurer to cover these just because there is some

supporting evidence for the minority of items claimed for.

So I'm satisfied that Accredited's £6,306.14 offer of settlement wasn't unreasonable. It explained which items it was willing to cover and why the rest of the items couldn't be validated on the basis of the evidence provided. And as it said to Mr C, it's for the policyholder to evidence their loss in the event of a claim – not the insurer.

I note Mr C has now provided additional evidence to Accredited in the form of receipts, valuations, photographs and other information. Accredited has said it is now considering these, but it has queried why Mr C didn't provide these sooner, particularly when asked repeatedly by Accredited to do so.

Because Accredited is now looking at the new information provided, I'm not going to require it to do anything further apart from reconsidering the claim in light of the additional evidence Mr C has sent to it. Mr C should answer to the best of his ability any questions put to him by Accredited as part of its ongoing investigations. And if Mr C feels the need to make a further complaint about the way Accredited deals with his claim going forward, then he should raise this with Accredited in the first instance.

Mr C has requested a breakdown of the items covered previously, and whilst some of the accepted items have been listed in the final response letter, I'd consider it good industry practice for Accredited to explain clearly to Mr C, once it has reconsidered the claim, which of the items it is willing to cover and which ones it won't pay for. I'd also expect it to clearly explain why.

As Accredited will be aware, the insurance industry regulator, the Financial Conduct Authority (FCA), has set out rules and guidance about how insurers should handle claims. These are contained in the 'Insurance: Conduct of Business Sourcebook' (ICOBS). ICOBS 8.1 says an insurer must handle claims promptly and fairly, provide reasonable guidance to help a policyholder make a claim, give appropriate information on its progress, not unreasonably reject a claim and settle the claim promptly once terms have been agreed. I'd expect Accredited to act in line with this guidance to prevent a further complaint.

But for the reasons I've explained above, I don't consider Accredited acted unfairly in offering to settle the claim for the amount it did, based on the evidence and information available to it at the time.

I've considered all the other information Mr C has provided, and whilst I've said above that Accredited could've provided a better service in some respects, this hasn't changed my overall view that it should now reconsider the claim in light of the new evidence, as it has agreed to do. It follows therefore, that I'm not upholding Mr C's complaint.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 24 April 2025.

Ifrah Malik  
**Ombudsman**