

The complaint

Mr A, and his daughter Miss A, have complained about the way U K Insurance Limited (UKI) has handled a claim made on a travel insurance policy.

As it is Mr A leading on the complaint, I will mostly just be referring to him in this decision.

What happened

Mr A and Miss A were on a trip abroad in June 2023 when their baggage was lost by the airline. Mr A therefore made a claim on the policy for their lost possessions.

UKI says it can't progress the claim until Mr A provides some evidence of proof of ownership for the items being claimed for.

Our investigator thought that UKI had acted reasonably, in line with the policy terms and conditions. Mr A disagrees and so the complaint has been passed to me for a 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.

I've carefully considered the obligations placed on UKI by the Financial Conduct Authority (FCA). Its 'Insurance: Conduct of Business Sourcebook' (ICOBS) includes the requirement for UKI to handle claims promptly and fairly, and to not unreasonably decline a claim.

Looking at the policy terms, under 'Section H Baggage', it states:

'Special conditions

You must provide us with proof of ownership and value for the items of baggage for which you are claiming to substantiate your claim. If you do not, it may affect your claim.'

Looking at the above wording, it is clear that the evidential standard for making a claim involves two stages:

- proving ownership of the items
- then proving the value of the items

So, a policyholder couldn't just provide proof of owning the items but then not provide any evidence of value, because UKI wouldn't know how much to settle the claim for.

Similarly, a policyholder couldn't just provide a list of estimates for items without showing that they owned those items in the first place.

The only proof of purchase Mr A has provided is for the actual suitcases that were lost. Mr A says he can't provide any proof of purchase for the contents of those suitcases, which was mainly clothes and footwear.

He says he doesn't have any receipts or credit card statements. UKI said that, as an alternative, he could provide any available photos of the items being worn. Mr A believes that to be unnecessary and intrusive. He's said he was told by UKI that it would be sufficient to provide an estimate for replacement on a like-for-like basis.

In support of his argument, he has provided a copy of a letter dated 29 November 2023 in relation to progressing the claim. The letter states:

'Documents needed to progress your claim:

- If you are unable to provide evidence of the original cost of your item, then please provide us with an estimate to replace the item on a like for like basis. This could be a screenshot from a reputable online retailer showing how much the item now costs.*
- Proof of ownership for any item(s) you're claiming for. This could be a bank statement highlighting the transactions to show where and when the item(s) were purchased and the amount(s). Alternatively, you could provide a receipt or an order invoice.'*

Looking at the above wording, I'm not persuaded that it supports Mr A's position. He is focusing on the first bullet point whilst disregarding the second. But the letter doesn't say it needs one or other of these things. The letter does indeed say that, if he doesn't have proof of the original costs, he can provide an estimate. But this is in addition to having to prove ownership, not instead of.

Based on the available evidence, I'm satisfied that UKI has been consistent from the start of the claim that it needs both proof of ownership *and* proof of value.

I'm unsure what attempts, if any, Mr A has made to try and find proof of ownership. He's said that the receipts would be too difficult to find. In regard to credit card statements, he's said he has too many cards and he bought some of the items using a credit card account that is now closed. I note that a number of Miss A's lost items seem to be from online retailers where it should be easier to find emails etc in support of those purchases, although Mr A hasn't mentioned whether or not he's asked his daughter to look for any of that.

The policy doesn't mention needing photographic evidence of ownership of items. What the policy does say is that proof of ownership is required. As Mr A has said that he can't provide the usual evidence, such as receipts. UKI has said it would consider photos as an alternative. I think this is a reasonable offer, as UKI is trying to give Mr A every opportunity to be able to provide some evidence of ownership. If he were able to find other proof instead, such as receipts or credit card statements, then he wouldn't need to provide photos.

Mr A has also complained about customer service and the way he was spoken to over the phone. Having listened to the calls in question, I am satisfied that the adviser and the manager remained professional at all times. They did not provide him with incorrect information and were not rude.

I have sympathy for Mr A's situation. The baggage being lost by the airline was outside of his control, and he is out of pocket as a result. And I appreciate he is frustrated by the requirements for making a claim.

However, it is reasonable for UKI to require evidence in support of a claim. A fundamental starting point is proof that the policyholder actually owned the items being claimed for in the first place.

Overall, I'm satisfied that UKI has acted reasonably in requiring proof of ownership.

Mr A should either try to provide more evidence of proof of ownership so that the claim can progress, or he could liaise with UKI about potentially settling the claim for the limited items he has been able to provide receipts for.

My final decision

For the reasons set out above, I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A and Miss A to accept or reject my decision before 14 April 2025.

Carole Clark
Ombudsman