

## **The complaint**

Mr and Mrs R complain that HDI Global Specialty SE ("HDI") declined a claim for the theft of jewellery under their home contents insurance policy.

I'll refer to Mr R in my decision for ease.

## **What happened**

Mr R discovered that items of jewellery had gone missing from his home in October 2023. He assumed the jewellery had been stolen in February/March time when building work was being undertaken. He reported this to the police and also contacted his insurance broker. Mr R said his broker told him to make a claim with his previous insurer because his policy with HDI had only incepted in September.

Mr R's previous insurer declined his claim. It told him there was no evidence to support when the loss occurred. And that the discovery date for the loss was after its policy ended. Mr R complained and subsequently referred this complaint to our service. Our investigator didn't uphold it. He agreed there was no evidence to support a theft in February/March 2023. He thought it was fair that Mr R's previous insurer told him to make a claim to HDI. This is because the loss was discovered whilst HDI's policy was in force.

Mr R made a claim to HDI, which it declined. He complained but it didn't change its decision. In its final complaint response, it said there was no evidence that the loss occurred during the period of its insurance cover. It also said that Mr R hadn't adhered to its policy terms. More specifically that he must notify his broker of a claim within 30 days to provide full details of what had happened.

Mr R didn't think he'd been treated fairly and referred his complaint about HDI to our service. Our investigator upheld his complaint. He said Mr R discovered his loss in October 2023 and at this time he had cover in place with HDI. When the policy incepted our investigator said Mr R thought the jewellery was located in his home. It wasn't until he looked for the jewellery in October that it couldn't be found. Our investigator said this means the loss should be accepted as having happened in October. He said HDI hadn't treated Mr R fairly when concluding his loss hadn't occurred during its policy cover.

Our investigator said Mr R had met his policy requirements to notify his broker of the claim. He didn't think Mr R was responsible for the broker telling him to make a claim to his previous insurer first. Because of this our investigator said HDI should reconsider Mr R's claim under the remaining terms of its policy. And pay him £200 for the distress and inconvenience it caused him.

HDI disagreed with this outcome. It said its policy incepted around six months after Mr R thought this jewellery had been stolen. It didn't think its decline decision was unfair in light of this.

As an agreement wasn't reached the matter 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'm upholding Mr R's complaint. Let me explain.

It's for the policyholder to show that they have suffered an insured loss. If they can then, generally speaking, the insurer must pay the claim. This is unless it can reasonably rely on a policy exclusion not to. I've thought about what this means in Mr R's case.

Mr R originally thought that jewellery was stolen from his house by contractors who had carried out work. But there's no evidence to support this. The facts are that Mr R discovered his loss in October 2023. He reported it to the police and his insurance broker at that time. But it's not known that building contractors took the jewellery. What is known is that Mr R insured his contents with HDI in September 2023 on the understanding that the jewellery was at his home.

No insurer will pay for losses that occur outside of its period of cover. But Mr R's policy schedule confirms he was insured with HDI from 16 September 2023 up to 15 September 2024. He discovered the loss in October 2023. This means the loss was discovered whilst cover was in place with HDI.

I haven't seen evidence that shows the loss occurred prior to HDI's policy taking effect. The business says there's no evidence the loss occurred during its period of cover. But from what it's said it focused on Mr R's belief that building contractors must have been responsible for the theft of the jewellery. This was the only scenario Mr R could think of for how the jewellery was taken. But this was an assumption. As discussed there's no evidence to support this. I don't think it's fair that HDI declined Mr R's claim on this basis. The evidence shows that the loss was discovered within its period of cover. I'm not persuaded that it's reasonably shown the loss took place outside of this period.

HDI also relied on the following policy term when declining Mr R's claim:

*"How to make a claim*

*In the event of a claim or possible claim under this insurance please contact your broker using the contact details shown on your schedule.*

*.. Your duties:*

*You must notify your broker as soon as reasonably practicable and in any event within 30 days giving full details of what has happened. The contact details for reporting a claim are shown on your schedule."*

However, in an email dated 3 January 2025 between HDI and its claims handler, it said it should remove the 30-day reporting exclusion as Mr R did let his broker know about the loss in the specified timeframe.

Mr R's broker advised him to make a claim against his previous insurer, which is why HDI wasn't contacted until sometime later. But based on what I've read Mr R did meet the requirements of his policy terms by contacting his broker within 30 days. It was the broker who told him to contact his previous insurer. So, I don't think it's fair or reasonable for HDI to rely on this term to decline his claim.

Having considered all of this I don't think it was fair for HDI to decline Mr R's claim for the reasons it gave. It should now deal with his claim under the remaining terms and conditions of his policy. It should also add 8% simple interest to any settlement that is paid. It should calculate this from one month after it became aware of the claim until payment is made in full.

I've thought about the impact this all had on Mr and Mrs R. The loss of their jewellery was distressing for them, but this was made worse by HDI's decision to unfairly decline their claim. In these circumstances I agree with our investigator that the business should pay compensation. I think £200 is fair.

### **My final decision**

My final decision is that I uphold this complaint. HDI Global Specialty SE should:

- deal with Mr and Mrs R's claim under the remaining terms and conditions of their policy, accepting that the loss occurred within the insured period;
- pay 8% simple interest\* on any settlement payment from one month after the claim was reported to HDI until payment is made; and
- pay Mr and Mrs R £200 compensation for the distress and inconvenience it caused them.

\*If HDI considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr and Mrs R how much it's taken off. It should also give them a tax deduction certificate if they ask for one, so they can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R and Mr R to accept or reject my decision before 28 July 2025.

Mike Waldron  
**Ombudsman**