

The complaint

Mr R has complained that Avantia Insurance Limited trading as Homeprotect (Avantia) mis-sold a home insurance policy which Mr R shares jointly with Mrs R.

As Mr R is the lead complainant, I will refer to him in my decision on behalf of him and Mrs R.

What happened

Mr R bought a home insurance policy through a broker, Avantia. He made a theft claim under his policy. The insurer first relied on a 'safe' exclusion to decline the claim.

The insurer has since declined the claim for a different reason. Mr R has complained about the insurer's decision. This is being dealt with under a separate complaint against the insurer by this service.

Mr R said Avantia didn't make the 'safe' exclusion sufficiently clear when he applied for the policy. He says he ticked 'no' to a question online which asked if he had a safe. Mr R says Avantia should have provided information about what that meant about his cover when he did this.

Avantia didn't uphold Mr R's complaint. It said the policy wording made it clear that it was a requirement to keep items of high value in a safe when not worn.

For some inconvenience caused, Avantia paid Mr R £50 compensation.

Mr R asked us to look at their complaint. One of our Investigators didn't recommend the complaint should be upheld. He thought Avantia had done enough to inform Mr R of the requirement to keep high value items in a safe when not worn.

Mr R disagreed and wanted an ombudsman to decide.

I issued a provisional decision on 18 March 2025. I intended to uphold the complaint. I thought Avantia hadn't been clear enough at sale of the 'safe' term which I thought should have been highlighted, given Mr and Mrs R said they didn't have a safe when they applied for the policy, which significantly restricted their cover.

Mr R accepted my provisional decision. Avantia didn't agree. It didn't provide new information, but said it believes the policy wording it provided at sale was sufficient.

So the case has been passed back 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.

My final decision is on the same lines as my provisional decision.

The key term under the policy says;

"Theft – Not covered"

For claims involving jewellery or watches individually worth more than £5,000, cover isn't provided when you're not wearing them:

□ *Unless kept in a locked safe or under your Personal Supervision."*

I've been provided with two policy wording documents. This term is identical, but set out under page 25 and 68 of each document.

As the theft occurred from Mr R's home, and the jewellery in question wasn't being worn at the time, the insurer initially declined the claim because the items weren't locked in a safe.

It doesn't seem to be in dispute that when Mr and Mrs R applied for the policy online, they confirmed they did not have a safe at the property. The absence of a safe significantly restricted the cover for theft of jewellery under the policy. So I'm of the view that Avantia should have ensured that this term was sufficiently highlighted to Mr and Mrs R at the point of sale, so that they could then consider whether they wished to install a safe, or seek insurance cover elsewhere.

I cannot see that Avantia highlighted the 'safe' term in any of the additional policy documents provided, including the Statement of Fact and policy schedule. I've listened to a call between Avantia and Mr R where they went through the online journey and it was accepted that when Mr R ticked 'no' to having a safe, no additional information was given by Avantia to alert Mr R to the limitations of cover by not having one.

Avantia hasn't provided any new information to persuade me to change my view from my provisional decision. I appreciate it disagrees, but for the reasons I've given, I am upholding Mr R's complaint that Avantia failed to make the 'safe' exclusion clear enough.

Putting things right

Avantia has paid Mr and Mrs R £50 compensation for the inconvenience caused. The insurer hasn't relied on the 'safe' exclusion as a reason to decline Mr and Mrs R's theft claim, but I have upheld Mr and Mrs R's complaint against the insurer that it shouldn't decline the claim. This means that the 'safe' exclusion is something the insurer can refer back to when it now deals with the claim. Avantia will need to step into the shoes of the insurer and cover the claim if the insurer relies on the 'safe' exclusion as a reason to reject it.

Avantia should pay Mr and Mrs R a further £150 compensation for the distress and inconvenience caused.

My final decision

My final decision is that I uphold Mr and Mrs R's complaint. I require Avantia to cover Mr and Mrs R's theft claim if the insurer relies on the safe exclusion as a reason to decline it.

Avantia should pay Mr and Mrs R a further £150 compensation for the distress and inconvenience caused.

Avantia Insurance Limited trading as Homeprotect must pay the compensation within 28 days of the date on which we tell it Mr and Mrs R accept my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

If Avantia Insurance Limited trading as Homeprotect considers that it's required by HM Revenue & Customs to withhold income tax from that interest, it should tell Mr and Mrs R how much it's taken off. It should also give Mr and Mrs R 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 Mr R and Mrs R to accept or reject my decision before 5 May 2025.

Geraldine Newbold
Ombudsman