

## **The complaint**

Mrs A complained that U K Insurance Limited (“UKI”) unfairly declined to cover her full loss after a theft from her garage, under her home contents insurance policy.

Mrs A is represented by Mr A. I’ll refer to Mrs A in my decision for ease.

## **What happened**

In September 2024 items were stolen from Mrs A’s garage. She contacted UKI to make a claim, which it accepted. UKI informed Mrs A the items were stolen from an ‘outbuilding’ and not her home. This meant cover up to a maximum of £5,000, less the policy excess, was available. Mrs A said approximately £35,000 worth of equipment was stolen.

Mrs A didn’t think the application of a £5,000 limit was fair. She said her garage forms part of a coach house. This isn’t a stand-alone building and shouldn’t be classed as an outbuilding. Mrs A said her claim should be considered under the full policy contents claim limit, which was £100,000. UKI didn’t change its decision, so Mrs A complained.

UKI responded and said its policy terms confirm that a garage is defined as an outbuilding. It said Mrs A’s garage is situated opposite the main building of her home and doesn’t form part of its structure. It maintained its decision to apply the claim limit set out in its policy terms for a loss occurring in an outbuilding.

Mrs A didn’t accept this outcome and referred the matter to our service. Our investigator didn’t uphold her complaint. She thought UKI had fairly applied the claim limit as stated in its policy terms. She said its agent made a mistake during a webchat by telling Mrs A the full contents claim limit would apply. But our investigator was satisfied it had since corrected this and apologised for its error.

Mrs A didn’t accept our investigator’s findings and asked for an ombudsman to consider her complaint.

It 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 not upholding this complaint. I’m sorry to disappoint Mrs A but I’ll explain why I think my decision is fair.

I’ve checked Mrs A’s policy terms and her policy schedule to understand what cover she had in place. Her contents cover provides a maximum sum insured of £100,000. The terms also say:

*“Contents in Outbuildings (Maximum claim limit) £5,000”.*

And:

*“Outbuildings*

*Sheds, greenhouses, summerhouses, garages and other Buildings which do not form part of the structure of the main building of the Home and are used solely for domestic and/or clerical Business purposes.”*

Mrs A confirmed that the stolen items were taken from her garage. From the policy terms a garage is categorised as an outbuilding. So, the claim limit of £5,000 applies to Mrs A's loss.

I've thought about Mrs A's argument that her garage forms part of the structure of a coach-house. And that this is therefore part of a structure of a home and should be covered by the full £100,000 contents claim limit.

UKI's policy terms define 'Home' as, *“The property described in the 'Property Details' section of the Statement of fact, together with its Outbuildings”*.

Mrs A said this is misleading and could be interpreted that outbuildings are part of the home due to the use of the wording 'together with'. But 'outbuildings' is highlighted in bold throughout the policy terms. This means it has a specific definition, as I outlined earlier. This confirms a garage is an outbuilding and that a £5,000 claim limit applies.

I can see from the photos supplied that Mrs A's garage is part of a coach-house. But she doesn't own that property. Her garage doesn't form part of the structure of the main building of her home. The garage is opposite and separate to her home. This means the contents in outbuildings claim limit reasonably applies to Mrs A's loss.

I've read the webchat transcript that shows Mrs A was incorrectly told that UKI would cover her garage as part of her home as opposed to an outbuilding. This conversation took place after her loss. So, this didn't impact on her decision to take the policy. It was appropriate that UKI contacted Mrs A to correct its mistake and provide an apology. But I don't think it needs to do anymore.

Having considered all of this, although I'm naturally sympathetic to the loss Mrs A has suffered, I don't think UKI treated her unfairly when it relied on its policy terms and applied the limit it did to her claim. So, I can't reasonably ask it to do anymore.

**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 Mrs A to accept or reject my decision before 16 July 2025.

Mike Waldron  
**Ombudsman**