

The complaint

Mrs K complained that Lloyds Bank General Insurance Limited (“Lloyds”) unfairly declined her claim for items stolen from her property, under her home contents insurance policy.

What happened

Mrs K has a second property. It was burgled in September 2024 and so she contacted Lloyds to make a claim. The business declined her claim. It told her that only the insured property listed on her policy schedule was covered. Mrs K didn’t think this was fair. She said her policy covered her for any location in the world. Mrs K said all she received in response to her claim was £75. She wasn’t happy with this and complained.

Lloyds responded and explained there was no cover in place at Mrs K’s second property. It said cover is provided for belongings temporarily removed from her home, within the UK. It confirmed Mrs K also had cover for her belongings anywhere in the world, but only whilst they’re within her custody and control.

Lloyds said that it had failed to review Mrs K’s claim in October 2024 as promised. This is why it had paid her £75, which it intended as an apology.

Mrs K didn’t think Lloyds had treated her fairly and referred the matter to our service. Our investigator didn’t uphold her complaint. He didn’t think Mrs K’s policy covered her loss in the circumstances described. So, he didn’t recommend that Lloyds do anything more.

Mrs K 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 Mrs K’s complaint. I’m sorry to disappoint her but I’ll explain why I think my decision is fair.

I’ve checked the policy documents sent to Mrs K at the renewal immediately prior to her loss. The insured address is confirmed in these documents. This isn’t the address from which Mrs K’s contents were stolen.

Mrs K’s policy terms and conditions booklet confirms that her ‘home’ is covered for loss or damage to contents. It says:

“We cover the following – loss or damage.

Any loss of or damage to your contents or business equipment:

- *in your home and within the boundaries of the land belonging to your home including loss or damage caused by scratching or denting, or domestic pets*

A definition section is included in the policy booklet that sets out words that have a specific meaning. 'Home' is defined as, "*The house, bungalow, flat or maisonette shown in your Schedule*". The property from which Mrs K's possessions were stolen isn't shown in her policy schedule. Mrs K insured her home address with Lloyds not her second property. As the loss didn't occur at her home address there is no cover under this part of her policy.

I've checked to see if Mrs K had any other cover that could apply here. Her policy includes cover for, "*Valuables and personal belongings – anywhere in the world in your custody or control*". I think this is the cover Mrs K has referred to in her submission to our service. I agree that this does say she has cover anywhere in the world. But the important caveat here is that any valuables and personal belongings must be in the policyholder's, "*custody or control*" in order for a loss to be covered.

The claim records Lloyds provided show Mrs K claimed for a number of items. This included curtains, several items of clothing, ornaments, cookery books, and bedclothes amongst other items. Some of these items could potentially fall within the policy definition of personal belongings. But Mrs K wasn't present at her second property when the theft occurred. So, these items weren't within her custody or control when they were taken. This means there is no cover under this part of her policy either.

Mrs K's policy also provides cover for belongings that are temporarily removed from her home, within the UK. But from what I've read her belongings were being stored at her second property for an extended period. The claim records indicate Mrs K didn't have room for these belongings at her home. Based on this information I don't think the items that were stolen were temporarily removed from Mrs K's home. And so, this cover can't apply here.

Lloyds paid Mrs K £75 for its failure to review her claim. It acknowledged this was agreed during a telephone call in October 2024. I can understand that this was frustrating for Mrs K and required her to chase the business. So, I think what it paid in compensation to say sorry was fair.

Having considered all of this, although I'm sorry Mrs K's belongings were stolen, I don't think Lloyds treated her unfairly when it relied on its policy terms to decline her claim for the reasons it gave. 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 K to accept or reject my decision before 16 July 2025.

Mike Waldron
Ombudsman