

The complaint

Miss R complains U K Insurance Limited ('UKI') unfairly declined a theft claim she made under her home insurance policy.

What happened

Miss R held a home insurance policy underwritten by UKI. She contacted them to make a theft claim for gold jewellery. She said she got married the day after she noticed it was missing and went on her honeymoon while her mother continued to search for it. But when she returned, they still couldn't locate it - so she raised a claim in August 2023. UKI considered the claim but declined to cover it because of the circumstances of the claim and a lack of evidence Miss R owned the items.

Miss R was unhappy with the declined claim and raised a complaint. But UKI maintained their decision and said Miss R hadn't called the police following the theft, she couldn't prove ownership of the missing items, and her evidence didn't sufficiently substantiate what had been taken. Miss R remained unhappy with the complaint response – so, she brought it to this Service.

An Investigator looked at what had happened but didn't recommend the complaint should be upheld. He said Miss R hadn't been able to provide evidence that she owned the items she reported had been taken. And he said the evidence Miss R had provided, in the form of images of various family members wearing items of jewellery, a replacement quote for the items, and letters outlining the history of the items, didn't demonstrate proof of ownership. He concluded that it was reasonable for UKI to decline to cover the claim.

Miss R didn't agree with the Investigator and asked for an Ombudsman to consider the complaint. So, it's 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 appreciate this will be disappointing to Miss R – so I'll explain why.

The main issue in this case is whether UKI acted fairly by declining to cover Miss R's claim.

The relevant regulator's rules say that UKI have a responsibility to handle claims promptly and fairly and they shouldn't decline a claim unreasonably.

The starting point with any claim is that a policyholder needs to demonstrate they have a loss that their policy covers. Miss R's policy contains the following term:

"For any claim you must

Give us any relevant information and evidence that we ask for, including proof of ownership or value of the lost or damaged item and written estimates for repair. You will have to do this at your own expense. Allow us (or our appointed suppliers) to access or inspect the damaged items and/or property.

Reporting claims

Immediately tell the police about any loss or damage by deception, theft, attempted theft, vandalism or malicious acts.”

I can see UKI has said Miss R doesn't have purchase receipts for many of the items, and I can see Miss R says this is because they were inherited from various family members. While I don't think a lack of receipts is a bar to cover on its own, especially for inherited items, I think it's reasonable for an insurer to ask for some evidence to support the claim for loss from a customer. This is to prevent an insurer from being exposed to dishonest or exaggerated claims.

Miss R provided a letter from her mother explaining the history of some of the items as well as photos of family members wearing the jewellery. But UKI said this wouldn't be sufficient for Miss R to demonstrate that she owned the items or that it showed they had been stolen in the way Miss R explained; given there was no signs of a theft.

I appreciate Miss R's strength of feeling about her complaint. But from reviewing the claim notes, I think UKI properly investigated the claim in order to reach a decision as to whether to accept it. And while I acknowledge the reasons Miss R has given for not having suitable evidence of ownership, I think it's fair for UKI to consider that there is no recent evidence of the items being claimed for they could reasonably rely on.

Additionally, I can also see that the policy terms require any loss due to theft to be reported to the police "immediately". Miss R has explained why she didn't report the theft as soon as she was aware of it, but I think it's reasonable for UKI to conclude that by not doing so, the ability to ascertain how the theft happened was potentially compromised.

Ultimately, the policy terms allow UKI to refuse to cover a claim where a policyholder hasn't met their obligations under the terms. So, in all the circumstances, I consider that UKI's decision to decline cover was reasonable.

Conclusion

I recognise this isn't the outcome Miss R was hoping for, and I am naturally sympathetic to how distressing this situation would have been for her. However, my role is to decide whether an insurer has acted fairly. And based on what I've seen, I think it was reasonable for UKI to decline the claim.

My final decision

For the reasons given above, my final decision is that I do not uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 9 July 2025.

Stephen Howard
Ombudsman