

The complaint

Mr M and Mrs M have complained that Lloyds Bank General Insurance Limited trading as Halifax (Lloyds) unfairly settled a claim under their home insurance policy.

References to Lloyds include companies acting on its behalf.

What happened

Mr M and Mrs M made a claim when their home was burgled. As well as some damage to their home, Mr M and Mrs M said some items of jewellery were stolen. They were asked to provide proof of ownership and of the value of the items. However, Mr M and Mrs M were unable to provide any evidence of ownership or of the value.

Lloyds agreed to settle the claim. The amount offered was based on it being 9 carat gold. Mr M and Mrs M disputed this and said it was 18 carat gold. When they complained, Lloyds maintained its decision to settle the claim based on 9 carat gold. It said the policy terms said it might ask for proof of ownership and of value. Its jeweller had valued the items as 9 carat, not 18 carat. As Mr M and Mrs M hadn't been able to support that the items were 18 carat, it said no error had been made.

When Mr M and Mrs M complained to this Service, our Investigator didn't uphold it. He said it was reasonable for Lloyds to ask for proof in line with the policy terms and conditions. It was reasonable that Lloyds jeweller valued the items as 9 carat. It hadn't been provided with any evidence to the contrary that verified the carat value.

As Mr M and Mrs M didn't agree, the complaint was referred to me.

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 don't uphold this complaint. I will explain why.

Mr M and Mrs M have said Lloyds offer to settle the claim for some stolen jewellery based on 9 carat, rather than 18 carat, gold was unfair. So, I've looked at this.

I've read the policy terms and conditions. These said:

"We might ask you to give us proof you own what you're claiming for and its value. This could be things like a receipt or valuation you had done.

...

If we ask for you to give us proof, you must give it to us or we might not be able to pay your claim. You're responsible for paying any costs that are needed to prove your claim."

The onus is on a policyholder to prove a loss. I don't think it's unusual or unreasonable for an insurer to request proof of ownership of an item or its value. When Lloyds requested

proof, Mr M and Mrs M said weren't able to provide any. They had no photos, valuations or other evidence to show they owned the items or their value. I think where a policyholder isn't able to provide any evidence to show ownership or value that it would be common for an insurer to decline a claim at this stage. But, despite these issues, Lloyds accepted the claim.

Lloyds also accepted that the stolen jewellery was gold. However, the issue was whether it was fair for Lloyds to offer a settlement based on it being 9 carat gold. Mr M and Mrs M said the items were 18 carat. However, without evidence to show the value of these items, I think it was reasonable for Lloyds to settle the claim on the basis of the value of 9 carat gold. It was for Mr M and Mrs M to demonstrate the value of the items stolen and they were unable to do so. I think Lloyds' settlement for the claim was reasonable in the circumstances.

I'm aware Mr M and Mrs M have also said Lloyds told them it always required proof for jewellery claims, but it didn't say this anywhere in the policy. They said Lloyds had also told them it believed the wording of the policy entitled it to ask for proof of every item in the house. My role is to look at what happened with this individual claim and complaint. Mr M and Mrs M didn't make a claim for every item in their home. The issue I'm considering relates to a claim was for a small number of items. The policy said Lloyds might require proof of ownership and of its value and that where this was requested a policyholder must provide it. Lloyds acted in line with the terms and conditions of the policy by requesting proof. I think its request was reasonable.

So, having thought about this carefully, I don't uphold this complaint or require Lloyds to do anything else in relation to it. I think Lloyds offer to settle the claim was fair in the circumstances.

My final decision

For the reasons I have given, it is my final decision that this complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Mrs M to accept or reject my decision before 1 October 2025.

Louise O'Sullivan
Ombudsman