

The complaint

Mr S complains about Advantage Insurance Company Limited's decision to decline a claim for valuables he says were stolen from his home.

What happened

The background to this complaint is well known to both parties, so I'll provide only a brief summary here.

Mr S has been represented in making this complaint – and in dealings with Advantage – by his wife, Mrs S.

At the relevant times, Mr S had a home insurance policy underwritten by Advantage to cover his home and its contents.

In December 2023, he made a claim, telling Advantage that his house had been broken into whilst the family was out. Several items of jewellery had been stolen.

In early February 2024, Advantage told Mr S they were declining the claim. They said they couldn't validate that the incident occurred as reported.

And they said that, in any case, none of the stolen items had been specified in the schedule when the policy was bought / renewed – and as they were worth more than £1,500 (the limit for non-specified items) they weren't covered under the terms of the policy.

Mr S wasn't happy with this and made a complaint to Advantage, which he then brought to us. Our investigator looked into and didn't think Advantage had acted fairly and reasonably in declining the claim.

She thought the policy terms around specified items (in particular, the fact that items worth more than £1,500 weren't covered at all unless specified) weren't made sufficiently clear to Mr S at the time of purchase or renewal of the policy.

And she didn't think Advantage had enough evidence to suggest that the incident hadn't occurred as described by Mrs S.

She concluded that Advantage should re-consider the claim - and although they could reasonably apply the £1,500 limits where appropriate, they couldn't fairly refuse to provide any cover at all for items worth more than that.

Advantage disagreed and asked for a final decision from an ombudsman. They believe the policy terms were clear. And they maintain that they can't validate that the incident happened as described.

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.

There are two main questions for me to consider in making this decision. One – were the policy terms around specified items made sufficiently clear to Mr S when he bought / renewed the policy? And two, can Advantage decline the claim on the basis that the account given by Mrs S didn't allow them to validate that the incident occurred as described?

If the answer to the first question is that the terms *were* in fact sufficiently clear, then the second question becomes relatively unimportant. All of the stolen items were worth more than £1,500, by Mrs S's own account. So, even if the incident could be validated as having occurred exactly as Mrs S described it, those items wouldn't be covered (at all) anyway.

So, I'll consider the two key questions in the appropriate logical order.

Were the policy terms sufficiently clear?

As Advantage have pointed out, the policy booklet which sets out the terms in full has a very clear and unequivocal statement about specified items. It says (in a highlighted box labelled "Important"):

"You need to tell us about (to specify) any items worth more than £1,500. Any items individually valued above this amount that you haven't told us about and aren't itemised in your policy schedule aren't covered."

In my view, that's a significant term in the policy. It doesn't simply impose an upper limit on the amount Advantage will pay out for any single item, it means that in effect Advantage are not paying out *at all* on any item the policyholder forgets (carelessly or not) - or isn't aware – is worth more than £1,500 (a relatively low bar).

Because the term is so significant, I think on balance it's reasonable to say that Advantage ought to have given it some prominence in the sales journey and/or in the policy summary documents (provided at the time of sale and/or at renewal).

Whilst it's clear in those documents that there's a limit of £1,500 for any single item, unless specified, it's not made clear that Advantage won't pay out *at all* if an item proves to be worth more than £1,500 and isn't specified.

Mr S bought the policy via a comparison website – and was asked as part of that journey whether he *wanted* to insure any other items (other than laptops or bicycles) worth over £1,000 each.

Bearing in mind what the policy summary documents said and the question he was asked through the comparison website, I don't think it would be unreasonable on balance to suggest that Mr S might have interpreted what he was told to mean that he could *chose* to have cover *up to the policy limit* (£1,500) for an item which may in fact be worth more than £1,500.

I realise there are other possible interpretations too. But I bear in mind that Mr S is not an expert in insurance. And that if there is any ambiguity in what the questions and/or documents mean, the responsibility lies with Advantage rather than Mr S.

I certainly don't think Mr S was told unequivocally - during the sales journey or in the renewal documents - that if he didn't specify an item which turned out to be worth more than £1,500 it wouldn't be covered *at all*.

I should also note here that in their representations to us, Advantage have made much of Mr S's decision to specify a laptop in the policy schedule. This, they say, indicates that he knew full well that items worth over £1,500 wouldn't be covered unless specified.

However, looking at the question Mr S was asked (about valuable items) via the comparison website, it's clear that there were other very specific questions about laptops and bicycles, which would have in effect required Mr S to declare the value of his laptop.

In summary, I don't think Advantage did enough at the point of sale and/or renewal, to make Mr S aware that if he didn't specify an item worth over £1,500, then it wouldn't be covered at all.

I note that the welcome pack sent to Mrs S when he bought the policy has a cover summary which contains a section entitled "*Significant policy exclusions and limitations*". Given the significance of the specified items limitations, it's not unreasonable to think that it might have been included here.

Is it fair for Advantage to say they couldn't validate the claim?

That brings me to the second key question. In essence, Advantage - in their claim repudiation letter - gave three main reasons for saying that they couldn't validate that the incident occurred as reported by Mrs S.

They said the photographs of the bedroom window which was the supposed entry point for the burglars showed damage to the inside of the window but not the outside. They at least implied that this meant the entry hadn't been forced from outside in the way Mrs S suggested.

They said Mrs S had confirmed at one point that the window was left slightly open when the family went out on the day of the break-in, but that she later denied that and said all the windows had been completely closed.

And they said the house had CCTV cameras – installed a considerable time previously – but Mr S hadn't provided any footage, saying that the CCTV system had never had the required software installed.

The photographs of the bedroom window do indeed show damage to the inside of the window frame, which would be expected if the windows were effectively levered open. The police appear to have said that the window was forced open. And that was also the view of contractors that Advantage sent to assess the damage.

The dissenting voice appears to be Advantage's own surveyor, who has only the photographs to go on, not having visited the property.

As Mrs S pointed out in one of the telephone conversations she had with Advantage after the incident, she has no idea how burglars force open windows, what tools or equipment they use and how that affects the window frames.

On balance, it seems to me there is a preponderance of evidence and opinion to suggest that the windows *were* indeed forced open. That includes the police's version of events – at least as reported by Mrs S.

I'm aware that Advantage have expressed reservations about obtaining a police report because of the time that might take, in the relevant geographical area. However, in that case, I don't think Advantage can fairly take the absence of an official police report as in any way indicating that Mrs S's version of events isn't reliable.

I've listened to three telephone calls Advantage made to Mrs S after the claim was made. In the first call, when asked if the windows had been left open, Mrs S says they had. However, it's very clear from the exchange that follows that Mrs S took the question to be about whether the windows were open *after* the break-in.

In the second call, Mrs S was asked whether the windows were left open "*when you went out at all?*" I don't think Mrs S understood what the question was. She answers "yes" albeit hesitantly - and then goes on to say, "*that's the window that they damaged, that they left open*". She goes on to say that the window was closed when they left the house - and that she always closes all windows before leaving the house unoccupied.

It's more likely than not, in my view, that Mrs S didn't understand that she was being asked initially whether the window was left open when the family went out in the afternoon, directly before the break-in happened.

In the third call, the agent states several times that Mrs S told her previously that the window was left open (I don't think she had said that - see above) - and then goes on to ask other questions immediately. When Mrs S realises what the agent is suggesting, she is very clear that "*nothing... was open, everything was fully locked, as I've said*".

I can't agree with Advantage then that Mrs S's statements are contradictory or unreliable. English isn't Mrs S's first language (although she appears reasonably proficient in it) - it's not entirely surprising that she doesn't pick up all the nuances of what she's being asked. And there's a lot of (justifiable) confusion on Mrs S's part about whether the questions are about the window now, immediately after the break-in, or before the break in.

Mrs S says that the CCTV cameras were put up in effect to act as a deterrent, with a view to getting them connected at some point. That makes some sense - and in the absence of any compelling reason to think otherwise, I don't think Advantage can fairly conclude that the absence of any CCTV footage means Mrs S's version of events isn't true and/or consistent.

In summary then, I don't think Advantage are justified in declining the claim on the basis that they couldn't validate that the incident occurred as Mrs S reported.

Putting things right

It follows from the above that I'm satisfied Advantage must reassess the claim in line with the remaining terms and condition of the policy, as our investigator suggested.

I also agree with our investigator that Advantage would be entitled to limit the claim settlement to £1,500 per item for any single item that wasn't specified (everything but the laptop, in other words).

It seems to me that it would or should have been absolutely clear to Mr S when he bought (and renewed) the policy that - if indeed cover *was* in place for items of more than £1,500 in value, as he assumed - then the limit (£1,500) would apply to any non-specified item.

I should note that Advantage have told Mr and Mrs S - and us - that *all* of the items claimed were valued at more than £1,500. This appears to be true given Mrs S's own valuation of the items.

However, in case there is any confusion over this, the discussion between Mrs S and Advantage's agent referenced five (gold, I believe) bracelets, valued at £8,000 in total, according to Mrs S.

When they re-assess the claim, I'd expect Advantage to treat each bracelet as a separate single item unless they have compelling reasons to regard the five bracelets as one item.

Because Advantage have wrongly (in my view) declined Ms S's claim, they've delayed the proper settlement of the claim and caused Mr S considerable (avoidable) stress and inconvenience over a relatively prolonged period.

So, I agree with our investigator that £200 is fair and reasonable compensation for the trouble and upset experienced by Mr S solely as a result of Advantage's errors or omissions in the handling of this claim.

My final decision

For the reasons set out above, I uphold Mr S's complaint.

Advantage Insurance Company Limited must:

- reassess the claim in line with the remaining terms and conditions; and
- pay Mr S £200 in compensation for the distress or inconvenience he experienced as a result of their decision to decline the claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 5 September 2025.

Neil Marshall
Ombudsman