

The complaint

Mr R complains about the decline of his home (contents) insurance claim by Liverpool Victoria Insurance Company Limited ('LV').

What happened

The background to this complaint is well known to Mr R and LV. I won't repeat in detail what's already known to both parties, instead, in my decision I'll focus mainly on giving the reasons for reaching the outcome that I have.

Following a break in at his property on 21 September 2024, Mr R contacted LV to make a claim on his home insurance policy. LV considered the claim, but declined it. They said Mr R had failed to comply with a security endorsement on his policy. They said Mr R had failed to have an operational security alarm when the loss event occurred.

Mr R raised a complaint which LV didn't uphold. Remaining dissatisfied, Mr R referred his complaint to our Service for an independent review. Our Investigator considered the complaint but didn't recommend that it be upheld. As the dispute remains unresolved, it's been referred to me for a final decision.

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.

Our Service is an alternative, informal dispute resolution service. Although I may not address every point raised as part of this complaint - I have considered them. This isn't intended as a discourtesy to either party – it simply reflects the informal nature of our Service.

I'm sorry to hear about the burglary that occurred and the impact this had on Mr R and his family. My role in this dispute is to decide independently and impartially whether LV have acted fairly, reasonably and in line with the policy terms when declining this claim. From LV's notes it appears Mr R also made a claim for damage to his building/property arising out of this loss event. This decision will only consider the contents claim.

Did Mr R breach the policy terms?

The relevant policy endorsement relied on to decline the claim is the following:

“Security requirements

This policy will only provide cover for theft or attempted theft if the following security is put into operation whenever your home is left unattended:

Alarm:

*Fitted by an NSI/SSAIB approved company, or
A centrally monitored alarm”.*

I'm satisfied this was sufficiently prominent in the policy terms and it was also highlighted on pages one and two of Mr R's 'important policy information' sent to him at policy renewal on 7 January 2024.

On page one, under a heading entitled 'Important information' in bold and larger font, it is stated:

"Important information

We'll only provide cover for theft or attempted theft if the securities listed in your insurance conditions are put into operation whenever your home is left unattended."

On page two, the policy term which LV have relied on is set out under 'Security requirements'.

It's not in dispute that Mr R's alarm wasn't in operation at the time of the loss event. Mr R has said:

- The alarm had stopped working around 1 September 2024.
- A local alarm company visited the property on 2 September 2024. He chose not to use them for the repair.
- Mr R had another company (recommended to him) come out to quote for a repair on 9 September 2024. Mr R decided to go ahead with that company, but they couldn't arrange a repair, at the earliest, until 30 September 2024.

Therefore, I'm satisfied that Mr R has breached the policy condition to have an operational security alarm.

Was the breach material to the loss?

To ensure a fair and reasonable outcome, I've then considered if the policy breach was material to the loss that occurred. By this I mean, did Mr R's non-compliance with the policy condition impact the loss event (or the extent of the loss) that's occurred.

On balance, I find that the policy breach was material to the loss that occurred. I say this because:

- Mr R has said in his complaint form:

"The Oak front door (with two strong locks) was battered open and the house sadly ransacked with some money, key fobs and personal items of great sentimental value stolen..."

LV had also recorded the following details from Mr R's reporting of the claim:

"Home got broken into. Thieves jemmied the front door, causing damage to the oak door, frame, the surrounding plastering, paint work. Thieves, damaged son's wardrobe door as this was ripped off. Jewellery items such as old gold Rolex watch, jewellery for mother in law, diamond earrings, gym bag with skiing items and swim goggles. 500 euro's cash stolen which was drawn as heading on holiday..."

- Although it appears force was used to gain entry, once entry was gained there was no further deterrent - such as an alarm. An alarm sounding will have either created

uncertainty for the criminals – due to the likelihood that someone might be responding – either Mr R, his family, the police or a security company etc. It seems reasonable to assume that this could have potentially impacted how much time the criminals were prepared to risk spending in Mr R's property.

Therefore, based on the nature of the break in and the detail that Mr R's property was 'ransacked', I find it's reasonable to assume that the thief/thieves spent some time in the property and various possessions were taken from different parts of the property – and therefore the lack of an operational alarm *is* material to the loss that's occurred. For context, this wasn't a case of the criminals gaining entry, grabbing car keys from next to the front door and leaving the property again. Instead, it seems a reasonable amount of time was spent in the property.

Mr R has recently told us:

"I think the most important factor is that I acted very quickly to the fact that the alarm was no longer functioning properly. This is the only aspect of the problem that I had complete control over. Having found a suitable contractor to solve the problem, the delay involved is then no longer under my control."

For completeness, I've also considered if any mitigation fairly applies to ensure a fair and reasonable outcome. I agree that Mr R took steps with the aim of making the alarm operational again - and it is of course very unfortunate that the break in took place between the point where Mr R had arranged a repair date and that repair taking place. But the fact remains that there was a gap of around three weeks *prior* to the loss event where the alarm wasn't operational.

I've considered the explanation for the delay and Mr R has described a combination of a delayed recommendation (due to a family member being on holiday) and then the lack of availability of the second alarm engineer. On balance, I'm not persuaded this fairly mitigates Mr R's obligations under the policy, or it means that LV have acted unfairly when declining this claim in line with the policy terms. For example, when Mr R was made aware that the second company couldn't carry out the repair for several weeks, there's no evidence he tried to source an alternative repair sooner. I note that Mr R had extensive security upgrades carried out after the loss event, but it remains that the pressing requirement to be compliant with the insurance policy here was to have an operational alarm.

My outcome will undoubtedly be disappointing for Mr R, but it ends our Service's involvement in trying to informally resolve this dispute between him and LV.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 11 December 2025.

Daniel O'Shea
Ombudsman