

The complaint

Mr G has complained about his contents insurer AXA Insurance UK Plc because it has declined his claim for items missing and damaged after the local housing association mistakenly cleared his locked storage area.

What happened

Mr G had items in a locked storage cupboard, in a communal area, at his flat. Operatives appointed by the housing association (HA) which owns the flats came and cleared the cupboard – they'd been sent to the wrong address. Mr G arrived home in time to take some photos and chase the van but couldn't stop it. A neighbour shared CCTV images of the operatives loading the van, sorting through the items and even putting on a hat they found. Mr G called the HA and items were returned the next day.

A claim was made to AXA. It sent a loss adjuster to meet with Mr G and discuss the claim. The loss adjuster also made enquiries with the HA. Having determined the items were removed in the course of a mistake, and that items had been returned, the loss adjuster determined there had been no loss covered by the policy. In response to Mr G stating some of the returned items were damaged (having been left outside by the HA overnight before returning them), the loss adjuster said there was no sign of damage outside of that he'd expect to see for items that have been kept in outside storage (the door to the cupboard being a louvre type wooden door). In a final response letter, AXA confirmed it had seen no loss or damage covered by the policy and the claim was declined.

Mr G complained to the Financial Ombudsman Service. He said AXA had applied only a narrow definition for theft. He said it had also refused to consider other "relevant perils such as accidental damage, third-party negligence, or even loss".

Our Investigator noted AXA had considered all the evidence Mr G had provided. He was satisfied that, in the circumstances it had come to a fair view that there hadn't been a theft of, or damage to, items shown by Mr G. So he wasn't minded to uphold the complaint.

Mr G provided further comment. He said loss or damage cover, even where there is no theft, has been overlooked. Mr G specifically highlighted the accidental damage cover on the policy and that for personal possession away from the home. Our investigator put Mr G's comments to AXA and considered its reply. Having done so he confirmed to both parties that he remained satisfied that AXA had fairly and reasonably declined Mr G's claim.

As Mr G remained unhappy, the complaint was referred for an Ombudsman's 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.

I appreciate that this was a distressing circumstance for Mr G. I also accept it was upsetting for him when, although items were returned to him, he found items were not in the condition

he recalled they'd been and noted other belongings were missing. I do understand why Mr G would think something like this should be covered by his contents insurance. However, having seen everything that happened, along with everything the parties have said and the policy wording in place, I'm satisfied AXA came to a fair and reasonable conclusion that the policy would not offer cover in this situation.

The policy, like most, does not offer cover for every eventuality that might occur. There is no general cover, for example, for loss of contents. Rather, under the general contents cover items have to suffer loss or damage due to one or a series of the listed "insured losses" (in some policies they might be referred to as insured 'perils' or 'events').

There isn't an "insured loss" of "loss". Nor is there one for "third-party negligence", or items being left outside overnight. There is an "insured loss" for theft.

I've given careful thought to whether the policy, in these unusual circumstances, should respond under the cover of theft. I can certainly accept that Mr G, initially at least, believed his items were being stolen. And I also accept that as the items were taken without his permission and he believes items are still missing, those missing items should certainly be treated as stolen. But I'm not persuaded it was unfair for AXA to say this incident does not fall under the cover for theft.

The HA own the building they intended to access as well as Mr G's which they mistakenly accessed. The operatives which removed Mr G's items were acting under the HA's authority, with a mistake having been made about which address to attend. So the HA did not dishonestly appoint the operatives to clear Mr G's items with an intent of permanently deprive him of them, and the operatives were only acting on the HA's orders. Which means the items taken from the storage were not taken in the course of a theft.

There is some wider cover available on the policy for accidental damage, and for personal possessions (anywhere in the world). They do not rely on the "insured losses" list. AXA has confirmed it has considered these and its view is that they don't apply.

Taking the personal possessions cover first, this would cover items "you regularly take away from your Home". Mr G has explained the items missing, such as vinyl records and old mobile phones – were part of his personal collection, usually on display in his home. I can see why AXA does not think this section of the policy would offer cover to Mr G in these circumstances.

AXA says the items returned, which Mr G feels are damaged, are only suffering the type of damage that might be expected for items that were in storage. Mr G has said his items weren't in storage long – but he hasn't offered any detail about that. And he hasn't shown the condition of the items immediately before they were placed into storage. Some photos of returned items show, for example, some wear and discolouration on the collar of a coat, and some faded record sleeves with worn corners and edges. I'm satisfied by AXA's view that the condition of the items is more akin to long term wear and tear than any damage which might have occurred during this incident.

Having taken everything into consideration, I'm satisfied that AXA has considered the incident Mr G reported to it in line with all of the cover available on his policy. I'm also satisfied that AXA declined liability for loss and/or damage related to the incident fairly and reasonably given the policy cover available. I'm not persuaded, on this occasion, that AXA failed Mr G in its claim determination or that it should have to do anything differently.

I'll add a short note here on underinsurance. AXA noted possible underinsurance during the claim but did not pursue it. Underinsurance was not given as a reason for declining the claim

and so I have not considered AXA's (non-progressed) concerns in this respect. But I add this note here to assist Mr G's understanding of what could be an important issue for him in the future.

I know Mr G was unhappy about AXA raising underinsurance. But an insurer will often look at matters such as underinsurance during the course of a claim. This Service generally finds the premise of that to be fair and reasonable. If underinsurance is found during a claim, that can have significant consequences for a policyholder. Here AXA noted that Mr G was claiming for around £28,000 of items stolen or damaged but his sum insured (shown on the policy schedule) was only £25,000. As I said, AXA has chosen not to progress its concerns regarding underinsurance. But Mr G may wish to review his level of cover at future renewals or when taking new cover. I say this as Mr G will likely want to be sure he is adequately covered and also that he is complying with his obligation to take reasonable care to not provide a misrepresentation to his insurer.

My final decision

I'm satisfied, as explained, that AXA Insurance UK Plc fairly and reasonably declined Mr G's claim. I'm, therefore, not upholding the complaint or making any award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 5 January 2026.

Fiona Robinson
Ombudsman