

The complaint

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

What happened

Mr M and Mrs M made a claim for a lost ring. Lloyds assessed the claim and declined it. It said that because the ring had been lost in their home, there was no cover for this under the policy. The ring would have needed to be specified on the policy, which it wasn't.

When Mr M and Mrs M complained, Lloyds maintained its decision to decline the claim. It said Mr M and Mrs M had lost the ring inside their home and believed the ring had been thrown out. This wasn't listed as an insured risk under the policy. Personal belongings cover only covered items away from the home. Specified items cover covered lost items both within and outside the home. However, the ring wasn't specified. So, this cover didn't apply. However, it noted there had been communication issues during the claim, for which it offered £125 compensation.

Mr M and Mrs M complained to this Service. Our Investigator didn't uphold the complaint. He said the policy didn't include general contents cover for lost or misplaced items within the home. An item needed to be a specified item on the policy for cover for loss within the home, but the ring wasn't specified. So, he said it was reasonable for Lloyds to decline the claim. He also said the £125 compensation Lloyds offered for the communication issues was fair in the circumstances.

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 made a claim for a lost ring within the home. They don't know what happened to it, but Mrs M had been wearing the ring and they thought it might have slipped off her finger into the bin. The contents of the bin was later disposed of. Lloyds said it considered this a loss within the home, for which there wasn't cover under the policy. I'm aware Mr M and Mrs M have said the ring was lost outside the home, because it was disposed of in the rubbish. So, they said this would fall within the cover for personal belongings away from the home, which included cover for lost items. I've thought about this. Mr M and Mrs M don't dispute that Mrs M was last known to be wearing the ring in their home. They think it might have ended up in the rubbish bin, which was in the cupboard under their sink. So, it was within their home at that time. Although the rubbish ended up outside of their home, the ring had already been lost as Mrs M didn't knowingly put the ring in the bin. I'm satisfied it was fair for Lloyds to consider the claim as a loss within the home.

Looking at the policy wording, this described the insured perils covered by both the buildings and contents cover. This included insured perils such as fire, storm and flood. None of the insured perils listed provided cover for a ring lost within the home. I've also read the Contents – Private residence cover, But, again, this didn't provide cover for the loss of a ring within the home. Where an item was a specified item on the policy, there was cover for loss of that item within the home. However, the ring wasn't specified. So, this cover also didn't apply.

Having looked at the circumstances of the claim, I'm satisfied it was fair for Lloyds to decline the claim on the basis that it wasn't covered by an insured risk listed in the policy.

Lloyds also paid Mr M and Mrs M £125 compensation for communication issues during the claim, including that Mr M and Mrs M had to chase for progress on their claim. I think the compensation offered was fair in the circumstances. I don't require Lloyds to pay anything further.

As a result, I don't uphold this complaint or require Lloyds to do anything else in relation to it.

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 18 February 2026.

Louise O'Sullivan
Ombudsman