

complaint

Mr J is unhappy that UK Insurance Limited won't pay his claim for theft of a watch under his home contents policy.

background

In April 2015 Mr J made a claim for the theft of a valuable watch. He described it to UKI's loss adjuster and was asked to provide evidence of ownership. He then produced a photo of him wearing a watch and a box and guarantee certificate. UKI wouldn't pay the claim as it said that his description didn't match the watch on the certificate. It also pointed out that the photo showed a different watch. Mr J then produced three more photos of him wearing the watch. In the later photos it has been confirmed that the watch did match the certificate. Mr J produced reports from jewellers confirming this. UKI was still not satisfied, as Mr J hadn't explained the inconsistency in his description nor why (at the time) he had produced a photo of him wearing a different watch.

On referral to this service our adjudicator upheld the complaint as he thought that Mr J had produced sufficient evidence of ownership.

UKI didn't agree and the matter has been referred to me for a decision.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

UKI's reasons for not paying this claim are based on 1 the difference between Mr J's description and the watch shown by the certificate; 2 the different watch shown in the first photo and Mr J's initial failure to explain that; 3 a tag in the box had a non matching serial number on it; 4 Mr J didn't specify the watch in the policy despite its value.

As for the description initially given, UKI don't have the recording of the phone call. Mr J says he described it correctly to the police but UKI didn't obtain a copy of the police report. The difference is in the colour of the bracelet. Mr J says that he said the watch was steel with a yellow face, which matches the watch in the subsequent set of photos. UKI says he told it the bracelet was yellow. In a later call which we have listened to, Mr J still said the bracelet was partly yellow.

The "yellow" description seems to have brought up the assumption that Mr J was claiming for a gold watch. I can't see that Mr J ever claimed it was gold. I bear in mind that UKI hasn't said this was fraudulent. Without the original call I can just note that there were some inconsistencies in Mr J's description of his watch.

The first photo Mr J produced was of him trying on a different watch to show to his wife. He didn't say this to UKI at first but later explained it and produced a letter from the jewellers confirming this. I recognise this was inconsistent.

The tag in the box which had a hand written number on it is in my view irrelevant. There was a guarantee certificate in the box. I also don't set much store by Mr J not specifying the watch in the policy. All that means is that the maximum he will get is the limit in the policy for unspecified valuables.

Mr J has produced evidence which we would normally say was sufficient to prove ownership of the item. These include the box, a guarantee certificate, photos of him wearing the watch and reports from a jeweller confirming the watch in the photos matches that described by the certificate.

Mr J has been inconsistent in his evidence but I think UKI hasn't produced evidence to show me that these inconsistencies override what appears to me to be perfectly genuine evidence. UKI doesn't dispute that the later produced photos match the watch as shown in the certificate. I haven't seen evidence that Mr J was claiming for a gold watch as suggested. I also bear in mind that fraud hasn't been alleged here.

So I think UKI should settle Mr J's claim for the watch as evidenced by the guarantee certificate. Mr J would like to be reimbursed for the cost of the valuations he has obtained. I think those were necessary and it is for him to prove his claim. I won't award the cost of those. I also won't award compensation, as I think UKI was entitled to make the enquiries it did.

my final decision

I uphold the complaint. I direct UK Insurance Limited to settle Mr J's claim for his watch based on the guarantee certificate and subject to the limits in the policy.

If it makes a cash settlement UKI must also pay interest on this amount at the simple rate of 8% per year from the date Mr J made his claim to the date it makes the payment*.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 11 April 2016.

Ray Lawley
ombudsman

*HM Revenue and Customs requires UK Insurance Limited to take off tax from this interest. UKI must give a certificate showing how much tax it's taken off it if Mr J asks for one.