

The complaint

Mrs L is unhappy with the decision made by Aviva Insurance Limited (Aviva) when dealing with a claim under the contents cover part of her home insurance policy.

What happened

Mrs L took out a home insurance policy, including contents cover with Aviva. The policy schedule recorded Mrs L had selected the following:

*'Personal belongings in and away from your home - specified personal belongings:
These limits apply in addition to the limits in the personal belongings section:
[Watch] £5,000'*

The policy booklet terms and conditions for personal belongings explained:

*'We will not pay more than the item sum insured for any specified item.
If you claim for an item specified on your schedule you will need to provide proof of
the item's value. We recommend that you keep copies of receipts, valuations,
photographs, instruction booklets and guarantee cards to help you do this.'*

Mrs L contacted Aviva in December 2022 to report a burglary in her home. Aviva recorded the claim and asked for further details, including evidence of proof of ownership for the items Mrs L was claiming for. In particular, Aviva sought proof of ownership for the watch specified in Mrs L's policy schedule, and a designer bag Mrs L was claiming for.

Aviva accepted Mrs L's claim for the watch, and informed Mrs L that it would pay £5,000 in settlement of this claim. Aviva explained this was in line with the specified item limit recorded in Mrs L's policy schedule for her watch. Mrs L was unable to provide any receipts or proof of value supporting the value of the designer bag that was part of her claim. Because of this, Aviva offered Mrs L £150 as a gesture of goodwill for this part of her claim.

Mrs L complained to Aviva about the amounts offered for the watch and designer handbag. Mrs L explained that the value of the watch had increased to £9,000 since it was purchased. Mrs L also said that although she didn't have a receipt for the designer bag, she had provided photos of the bag which Aviva should accept as proof of its authenticity, and value. Aviva didn't accept Mrs L's complaint, and said it wouldn't be offering anything more in settlement of Mrs L's claim. Mrs L rejected these findings, and referred her complaint to this service.

The investigator found that the service provided by Aviva was reasonable. Mrs L didn't agree, saying (amongst other things) *'Why pay me £150? If they think it's a fake. My handbag is a real handbag, but even fake costs more than £150. I [insured the watch] for £5k. But now it's £8,500 in the market but they're only paying me £5,000. So my argument is because insurance 20 years ago costs £400 now costs £900 but [the value of pay-out is] not the same...'* As the complaint couldn't be resolved, it has been passed to me for 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 thank Mrs L for taking the time to explain everything that's happened since making a claim on her policy. I understand it has been a stressful time for Mrs L. I'd like to reassure the parties that although I've only summarised the background to this complaint, so not everything that's happened or been argued is set out above, I've read and considered everything that has been provided.

Mrs L feels strongly that her evidence and version of events hasn't been given proper consideration when assessing her claim. When we investigate a complaint about an insurer's decision on a claim, our role is to consider whether the insurer handled the claim in a fair and reasonable manner. And after considering the evidence and Aviva's decision on Mrs L's claim, I'm persuaded it has acted fairly and reasonably. I'll explain why.

Valuation offered for the watch

I have seen that the policy schedule reasonably highlighted the sum assured for Mrs L's watch. This was recorded as £5,000. I'm satisfied it was for Mrs L to ensure that the level of cover selected was right for her. The policy terms further explained Aviva would *'not pay more than the item sum insured for any specified item.'*

Mrs L says her watch is now worth more than the amount stated in her policy schedule. And she thinks Aviva should pay the amount her watch is now worth. But from the evidence I've seen, I'm satisfied Aviva's decision is in line with the policy terms, and the amount selected by Mrs L when insurance was taken out.

I can appreciate Mrs L's disappointment with this outcome. This situation has clearly left Mrs L feeling stressed, upset, and financially out of pocket. But I haven't seen any evidence to persuade me that Aviva's actions have been wrong, or unfair. So I won't be asking Aviva to pay anything more than what it has offered in settlement of this complaint.

Valuation offered for designer handbag

The evidence I've seen shows Mrs L was informed about evidence that would be required in the event of making a claim. Mrs L was reasonably made aware of the need to have valuation information, in the form of *'receipts, valuations, photographs, instruction booklets and guarantee cards'* to help determine proof of the item's value.

Mrs L says that she has provided evidence of her handbag in the form of photos supporting its authenticity. But Aviva say this evidence doesn't meet the policy terms in proving the item's value. When evidence is contradictory or inconclusive (or both) I have to make a finding on the balance of probabilities. That is what I find is most likely to have happened in view of the available evidence and wider circumstances.

It's not disputed that the policy terms say that *'If you claim for an item specified on your schedule you will need to provide proof of the item's value.'* Mrs L says she doesn't have any receipts to show what her handbag is worth. But feels strongly that Aviva should pay the value of an equivalent designer handbag in settlement of her claim. I've carefully considered Mrs L's comments. But I'm satisfied, in the absence of any conclusive evidencing proving the value of Mrs L's handbag, the gesture of goodwill offered by Aviva for £150 is reasonable.

As it stands Aviva hasn't been provided with any evidence supporting the value of Mrs L's handbag. It has assessed the photos Mrs L has provided. But in the absence of any further evidence proving the value of the handbag is what Mrs L believes it to be, I don't think it would be fair to ask Aviva to pay anything more.

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 Mrs L to accept or reject my decision before 24 May 2024.

Neeta Karelia
Ombudsman