

## The complaint

Mr S is unhappy with the sale of contents insurance sold by U K Insurance Limited (UKI Limited). Mr S says he wasn't advised to get his watch valued before purchasing insurance.

## What happened

Mr S purchased contents insurance in January 2017. Mr S feels strongly that he spoke to an adviser at company N, and the policy was sold following a branch appointment. The crux of Mr S's complaint is that the adviser failed to advise him to obtain a valuation for his watch before purchasing insurance for it. Mr S says he was asked how much he purchased the watch for (which was in 2009), and based on this, the valuation was recorded as £5,000. Mr S subsequently made a claim on his policy a few years later, and found the watch is worth closer to £10,050. Mr S says he should've been told to obtain a valuation before purchasing insurance, so that it was insured for the correct amount in the event of a claim.

UKI Limited say the purchase of insurance was non-advised and took place online. UKI Limited has provided a copy of the welcome letter, and policy schedule, sent to Mr S after his policy was taken out. The policy schedule shows a watch insured for £5,000 under specified items. The text next to this entry explains:

### ***Specified items***

*For items listed under this section, you will need to provide proof of the item's value in the event of a claim. We recommend that you keep copies of valuations, receipts, photographs and instruction booklets.*

In 2023 following theft of Mr S's watch, Mr S tried to make a claim under his policy. The amount paid to Mr S was much lower than the market value of Mr S's watch. Mr S complained to company N about the sale of the policy, and the lack of advice provided at the time of sale about ensuring the valuation reflected the market value. Company N directed Mr S's complaint to UKI Limited. This was on the basis that the information it held showed that the policy had been applied for online.

UKI Limited didn't accept Mr S's complaint. UKI Limited explained '*I'm afraid we've not had a conversation with you regarding the value of your watch and this had been set on the internet at the time of purchase.*' Mr S rejected these findings, and referred his complaint to this service.

The investigator found that the service provided by UKI Limited was reasonable. Mr S didn't agree, saying (amongst other things) '*Is it acceptable... to enter a customer into an insurance policy without having a prior valuation for high value goods completed before having the customer sign and pay for the insurance policy...*' 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 Mr S for taking the time to explain everything that's happened since taking out insurance, and making a claim on his policy. I understand it has been a stressful time for Mr S. 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.

I've carefully considered Mr S's extensive representations about the sale of the policy, and what he was told when taking out insurance. When evidence is contradictory or inconclusive (or both) I have to make a finding on the balance of probabilities. And on balance, I'm satisfied that the policy was, more likely than not, sold online. And having considered whether UKI Limited did enough to allow Mr S to make an informed decision about whether to purchase insurance, I'm persuaded it did. I'll explain why.

Mr S says this complaint should be set up against company N. I can appreciate why Mr S considers that company N is the correct business to answer this complaint. But I'm satisfied the complaint has been set up correctly against UKI Limited as the responsible business for Mr S's mis-sale complaint.

UKI Limited has provided a screenshot of the information received in its systems following Mr S's online application. This shows the sale being completed online, as the abbreviation 'INET' is used to describe the application. The information provided in the screenshot matches the policy schedule provided to Mr S. So I'm satisfied the screenshot reasonably reflects information relating to Mr S's policy.

In a non-advised sale we wouldn't expect a business to advise or recommend that the consumer buy the policy. The duty on the business selling the policy is to make sure the consumer is given enough information that is clear, fair, and not misleading so that they can make an informed choice about whether the policy is right for them.

I appreciate Mr S feels strongly about what happened when he spoke to an adviser in branch, and has provided detailed representations about what he was told by the adviser. But the evidence I've seen doesn't support this. That's not to say I disbelieve Mr S's testimony. However, the evidence I have seen is more persuasive in favour of the policy having been taken out online. And the policy information provided after the sale also made it reasonably clear what Mr S would have to consider, and provide, in the event of a claim.

UKI Limited hasn't been able to evidence any information from the time of sale to show what Mr S would've seen at the time of taking out insurance. I have seen that following the purchase of insurance, Mr S was sent a welcome pack, including his policy schedule. This evidence reasonably highlighted the responsibility on Mr S to check the amount insured. Mr S was reasonably made aware of the need to have valuation information, in the form of '*copies of valuations, receipts, photographs and instruction booklets*', in safe keeping. The value recorded in 2017 was £5,000. I'm satisfied it was for Mr S to ensure that the level of cover selected was right for him.

Although the crux of Mr S's complaint concerns the original sale, I have seen that in the subsequent renewals, Mr S was also informed that the insured value of his watch had increased. He was also informed of the responsibility to check that the sum insured met his needs. The renewal invite sent in December 2021 informed Mr S the sum insured for his watch was £5,916. And he was reminded to inform UKI Limited '*if the cost to replace your items as new is more than the limits shown above.*' I'm satisfied UKI Limited did enough to make this requirement clear to Mr S, both in the original sale, and subsequent renewals.

I can appreciate Mr S's disappointment with this outcome. This situation has clearly left Mr S feeling stressed, upset, and financially out of pocket. But I haven't seen any evidence to persuade me that UKI Limited's actions have been wrong, or unfair. So I won't be asking UKI Limited to do anything in settlement of this complaint.

### **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 S to accept or reject my decision before 12 February 2024.

Neeta Karelia  
**Ombudsman**