

The complaint

Mrs G complains that Liverpool Victoria Insurance Company Limited (LV) declined her claim on her home insurance policy for lost jewellery.

What happened

Following a party, Mrs G said she removed her earrings, bracelet and ring and placed them on the bedside table. A few days later Mrs G was unable to locate the items of jewellery and searched around her home for them. As she was unable to find the jewellery she claimed on her policy with LV. She said she thought she must have accidentally thrown out the jewellery when removing cotton pads from her bedside table.

LV reviewed the claim and asked for proof of the loss. Mrs G provided invoices and valuations for the jewellery, she also provided photos of her wearing the items. LV spoke with the jeweller Mrs G had bought the items from but had some concerns over the claim and so turned it down. It said Mrs G hadn't sufficiently evidenced her loss and raised other concerns. These included: incorrect information provided on the valuations from the jeweller; valuations dated after the date Mrs G said she'd lost the jewellery; the jeweller denying speaking with Mrs G when asked by the insurer; and Mrs G not having the items insured several months prior to insuring with LV.

Mrs G didn't think this was fair and complained. LV reviewed the complaint and didn't uphold it, so Mrs G referred her complaint here. She said she'd provided evidence of purchasing the items and the valuations were done to get an up-to-date value. She also said she'd provided photos of her wearing the jewellery and explained that prior to taking this policy out she'd been unable to insure the jewellery due to being in temporary accommodation but said she had insured it on her previous policy before that.

Our investigator looked into the complaint and didn't recommend it be upheld. She found that LV wasn't satisfied that Mrs G had shown the jewellery was in her possession during the time the policy was in place. She therefore thought it had acted fairly by declining the claim as Mrs G hadn't shown an insured event had occurred.

Mrs G didn't agree. She said it was clear she'd lost her jewellery and she'd provided purchase evidence along with photos of her wearing it and witnesses' details to confirm she had it at the time of loss.

As Mrs G didn't agree the complaint has come to me to decide.

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.

A fundamental and basic principle of insurance is that the onus is on the insured (Mrs G) to show an insured event has occurred. Once this has been done the burden would fall to the insurer to decline a claim under the policy terms, if it thinks the claim isn't covered.

In this case LV said it's not satisfied Mrs G has shown an insured event has occurred. Put simply it doesn't dispute Mrs G has lost her jewellery, just that it doesn't think Mrs G has shown the jewellery was most likely lost during the time it was insured with LV. Mrs G has disputed this and provided invoices, valuations, and photographs of the lost items.

I've reviewed the information provided and I'm not persuaded LV has acted unfairly or unreasonably. I say this because the photos Mrs G has provided are all taken before the policy with LV started, the invoices are also from when the policy started. LV has also pointed out that before this policy started there was a gap in insurance for the items. Then the items were lost a few months into the policy and Mrs G then didn't claim for them until around two months later. So, when taking everything LV has said and the concerns raised about the claim into account, I'm satisfied it's acted fairly and reasonably in the circumstances.

I've considered carefully the points put side by both parties, in particular Mrs G's comments about LV's concerns. While I understand this will be a disappointing for Mrs G. I'm not persuaded LV has done anything wrong by declining the claim for the reasons it has. I understand Mrs G has said there are witnesses who were at the party and could corroborate that she was wearing the jewellery. However, for the reasons explained above I'm not persuaded LV has done anything wrong by saying it's not satisfied Mrs G has shown she had the jewellery in her position and lost it during the time the policy was in place. I'm therefore not going to tell LV to do anything else.

My final decision

For the reasons explained above, 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 G to accept or reject my decision before 29 November 2023.

Alex Newman
Ombudsman