

The complaint

Mr W complains about Liverpool Victoria Insurance Company Limited ('LV')'s handling of a claim on his home insurance.

What happened

Mr W had an LV home insurance policy. In May 2022, thieves broke into his garage and stole several replacement parts for old motor vehicles. He made a claim to LV under his insurance.

LV declined the claim. It said "*motor vehicles... and all their accessories*" were explicitly excluded from the policy definition of contents, so the stolen parts weren't covered.

Mr W believes this is unfair and brought his complaint to this service. He says, in summary:

- A collection of unassembled vehicle parts are neither "*motor vehicles*" nor "*accessories*".
- They should instead fall under the definition of 'household goods'.
- A similar case on our website was upheld in the policyholder's favour.

He wants LV to settle his claim and improve their policy wording.

Our investigator didn't recommend that Mr W's complaint should be upheld. She was satisfied that vehicle parts fell under the policy definition of motor vehicles and accessories and were excluded from Mr W's cover. She thought LV's decision to decline the claim was fair.

Mr W disagreed with our investigator, so the case was passed to me to make a final 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.

Contents are defined in Mr W's policy booklet as: household goods, valuables, home entertainment equipment, money and credit cards, bicycles, television or radio aerials, satellite dishes and their fittings, and tenant's fixtures and improvements. The same section goes on to say: "*Contents are not motor vehicles... and all their accessories.*" LV said the vehicle parts stolen from Mr W were vehicle accessories so excluded from cover.

LV's internal notes show that, during a phone call with Mr W on 5 June 2023, it explained what it considered to be vehicle accessories: "*Items are generally considered to be an accessory to a vehicle, watercraft or aircraft if they were made specifically for the purpose of being used in or on one of these items.*"

Mr W doesn't think this is fair. He notes the dictionary definition of accessories is:

“Something added to a machine or to clothing that has a useful or decorative purpose”. He believes this might include items such as radios or seat covers but not essential vehicle parts, like those that were stolen. He believes vehicle parts should be considered household goods.

I'm afraid I don't agree with him. I'm satisfied that the policy is clear as to what LV intended to cover. This doesn't include motor vehicles. I'm satisfied that vehicle parts can be considered accessories given their purpose is to be added to a motor vehicle. The fact they weren't attached to a vehicle when they were stolen doesn't take them outside the policy definition. Finally, given the explicit reference to motor vehicles in the policy definitions, I don't think it's reasonable to consider parts of these vehicles to be household goods.

Mr W highlighted a case study on our website as another reason his claim should have been settled. However, that case was different as it determined whether an item should be considered 'buildings' or 'contents' for insurance purposes. Also, as our investigator explained, we assess every case individually and on its own merits. In Mr W's case, I'm satisfied that his policy doesn't cover him for the stolen items for the reasons I've set out above. It follows that I think LV's decision to decline the claim was reasonable.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 12 December 2023.

Simon Begley
Ombudsman