

The complaint

Mr and Mrs F complain that Lloyds Bank General Insurance Limited turned down their contents insurance claim.

What happened

Mr and Mrs F hold contents insurance cover with Lloyds Bank. They made a claim after realising they couldn't find seven items of jewellery. The jewellery had been kept together in a pouch, and they'd last seen this in their bedroom.

Lloyds Bank turned down the claim, and said there was no cover for these circumstances. Unhappy with this, Mr and Mrs F brought a complaint to the Financial Ombudsman Service.

Our investigator didn't recommend the complaint be upheld. She thought it had been reasonable for Lloyds Bank to say the policy didn't cover the loss.

Mr and Mrs F didn't accept our investigator's findings, and so the matter has been passed to me for a 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.

The policy terms explain what Lloyds Bank will and won't cover. I've considered whether Lloyds Bank has acted within these terms, as well as what is fair and reasonable here. Having done so, whilst I recognise my decision will disappoint Mr and Mrs F, I find that it was reasonable for Lloyds Bank to turn down their claim.

The policy explains that Lloyds Bank will cover belongings outside the home. This covers personal belongings if they are lost, stolen or accidentally damaged when temporarily taken away from the home. However, Mr and Mrs F say they last saw the jewellery in their bedroom and told Lloyds Bank they didn't take the jewellery out of the home. Given that the jewellery was lost in the home, the claim can't be payable under this section of cover.

Mr and Mrs F have recently told our investigator that they now recall losing the jewellery outside the home (in a restaurant). This is new information that Lloyds Bank hadn't considered when it turned down the claim, and so they should contact Lloyds Bank about this directly in the first instance. I've only considered what happened up to the date of Lloyds Bank's final response to the complaint.

Mr and Mrs F did opt for specified items cover on the policy – this covers high risk items that are specifically listed on the policy schedule. This section does cover items when lost in the home, though Mr and Mrs F have confirmed that none of the lost jewellery was specified on the policy. That means the jewellery also wouldn't fall under this cover.

I'm therefore satisfied it was reasonable for Lloyds Bank to say the claim wasn't covered under the policy, and turn it down.

Mr and Mrs F are unhappy that Lloyds Bank asked them to contact the police to notify them of the loss. However, the police wouldn't provide them with a crime reference number as the jewellery hadn't been stolen.

The policy says the insured should call the police if something's been stolen, and the police would provide a crime reference number. It also says the insured should call the police if something has been lost away from home to see if they can get a lost property number.

I see that Lloyds Bank advised Mr and Mrs F to report the loss to the police. It seems Lloyds Bank thought at the time it could be a possibility that someone had entered the property and taken the jewellery. Whilst Lloyds Bank may have been trying to help, since Mr and Mrs F didn't think there had been a theft and they also didn't think the jewellery had been lost outside the home, it probably wasn't helpful to advise them to notify the police. However, I don't think Mr and Mrs F were particularly inconvenienced by this, and so I don't require Lloyds Bank to do anything here.

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 and Mrs F to accept or reject my decision before 16 May 2024.

Chantelle Hurn-Ryan
Ombudsman