

## **The complaint**

Mrs P has complained about her let property insurer Gresham Insurance Company Limited. She was unhappy that loss of rent payments had been withheld whilst the contents claim was validated and that it wouldn't accept photos of contents items as proof of ownership.

## **What happened**

Mrs P owned a property which was used primarily as a home for her adult children. Mrs P furnished the property. The tenants of the property changed in 2020.

In December 2022 there was a water leak, most contents at the property were damaged beyond repair. Mrs P made a claim to Gresham and it wasn't happy the contents of the home belonged to her. It said to evidence her ownership of the items, photos weren't enough, photos wouldn't show, for example, whether she or the current tenant(s) of the property owned the items. Gresham wanted to further validate the claim and it put payments on hold for a few months whilst it did so. Once validated, payments for things like loss of rent resumed – but Gresham still wasn't prepared to settle for any contents without documents evidencing proof of ownership.

Mrs P wasn't happy – she'd felt stressed when payments were put on hold and she felt that photos, with metadata included, predating the 2020 tenancy, fairly evidence her ownership of items. When Gresham wouldn't change its position Mrs P complained to the Financial Ombudsman Service.

Our Investigator felt it had been fair for Gresham to put the claim, and payments, on hold whilst it completed validation enquiries. Regarding the contents, he didn't think Gresham had acted reasonably. He felt any photos of items in the property, showing metadata pre-dating 2020, should be accepted by Gresham as evidence of Mrs P owning the item shown. He also noted 8 large items specifically which he felt Gresham should accept Mrs P owned.

Mrs P was happy with that outcome. Gresham initially disagreed – but upon review said it felt we all had the same goal – to ensure Mrs P received settlement for items it was reasonably likely she owned. It felt that, in that circumstance, it was necessary for it be clear about what it accepted Mrs P owned (when reviewing the metadata photos). It sent a list of some 20 items which it felt had been shown in the metadata photos, and indicated whether or not each was claimed for, accepted or declined. It confirmed that its offer for the accepted items was £1,733. Regarding the 8 large items referenced by our Investigator – Gresham said it wouldn't accept these under the claim at this stage – but it would consider them.

Gresham's list was shared with Mrs P. She provided her own list of some forty items which she felt were evident in the metadata photos. These included two of the 8 large items the Investigator had previously singled out – with the other six (of those eight items), not being captured in the metadata photos. She set out sums for each of the forty evidenced items, the total being around £6,300. Regarding the 6 large items, estimated to total £2,680, she felt the fact these were in the property necessarily implied her ownership as they weren't items a tenant would buy to place in a rented property, such as a washing machine.

Our Investigator felt Gresham's offer to consider the 8 large items was fair. He remained satisfied that Gresham settling based on items evidenced in the metadata photos was reasonable. He explained that where items, on the claim's loss list, weren't evidenced in the metadata photos, it was reasonable for Gresham to decline those items.

The complaint was referred to me for an Ombudsman's decision. I noted the discrepancy between the parties as to what was felt to be shown in the metadata photos and which items were accepted as being pictured. Also that two of the 8 large items, according to Mrs P, were shown in the metadata photos, which Gresham had not acknowledged. I felt that, to ensure a well-rounded and meaningful decision could be reached on this complaint, some further consideration of the photo data was required. I asked Gresham to review Mrs P's list – which included metadata photo references – to see if an agreement could be reached about what the available evidence showed.

Gresham did complete some further assessment. It made a further offer to settle of £2,500. But Mrs P wasn't satisfied by that. Gresham raised some issues with some items which Mrs P had felt were shown in the metadata photos – but which it felt were different items. I reviewed matters – I accepted Gresham had a point with some items. Mrs P highlighted that Gresham had missed other detail regarding some of these items. On review Gresham accepted, for example, a bed which it had said was not evidenced by the metadata, actually was and was shown as being removed from the house during the claim. Gresham hadn't accepted a sofa and chair as being owned – Mrs P highlighted photos sent previously which showed the items in the house since 2017 and being in the house at the time of the loss. When pressed Gresham said it would accept liability for the sofa and chair.

Gresham made a further offer to settle matters – £2,983. This was put to Mrs P. She wasn't minded to accept it.

I reviewed matters. I was satisfied that the informal reviews, which I'd been facilitating since the complaint had come to me, had run their course. I'd hoped that this matter would have been resolved relatively simply by Gresham undertaking a genuine and comprehensive review. Unfortunately, I noted that that didn't appear to have happened – otherwise Gresham would have spotted the very obvious sofa and chair in both sets of photos without several prompts and explanations from this Service. So I decided to move things on by issuing a provisional decision, setting out what I felt was needed to resolve the matter.

## **My provisional findings were**

### "Loss of rent

My focus in this decision is going to be on the contents side of things. I know Mrs P was unhappy about the pause in the claim for loss of rent. However, I note that she initially accepted our Investigator's view in this respect (that Gresham had acted fairly and reasonably). I'm also satisfied that is the case – I appreciate that was stressful for Mrs P but Gresham was entitled to validate matters and put a hold on things whilst it did so. So any stress felt was a natural part of the reasonable claim process. I don't intend to make Gresham do anything regarding this.

### Contents items and scope of my decision

I'll explain first that Mrs P did not complain to this Service regarding the quantum of a settlement put forward by Gresham. Rather her complaint was that it would not accept her claim for contents items. Which led us initially to saying it should accept the claim on the basis of what contents items were evidenced in the metadata. I think that was reasonable and both parties do seem to have accepted that that was a fair way of determining ownership. However, as the complaint has progressed, it's become apparent that the parties are at an impasse about what the metadata photos evidence. As such, I can't reasonably

issue a decision which makes a direction for the claim to be settled on the basis of what is evidenced in the metadata photos – because I know that is unworkable in practice because the parties are already at odds on that issue.

As I've referenced above, I've tried informally to resolve the dispute on the items. That hasn't worked. So I need to issue a provisional decision to set out what I think must be done now to resolve the complaint – with a workable resolution set out which is fair and reasonable in all of the circumstances. Here I think that means I have to tell the parties what I think Gresham should pay to settle the contents claim.

#### 40 items versus 20 items

As noted above, Mrs P thinks around 40 items, which she is claiming for, are evidenced in the metadata photos, Gresham has listed around 20 items, some of which aren't part of the claim, and only 11 of which it initially accepted as evidenced by the metadata photos.

Gresham, when asked to review items, did show that some items which it had not accepted, which Mrs P thought were a match to items shown in the metadata photos, were not. Examples being a shower curtain and a tall set of shelves. I was satisfied that a close comparison showed the items were different.

However, Gresham also said the same initially about a bed. And when pushed Gresham accepted the bed in the house at the time of the loss was also shown in the metadata photos. Similarly – when a distinct red sofa and chair were highlighted to Gresham – it accepted these were in both the metadata and the loss photos.

So from this I can see that both Mrs P and Gresham are likely mistaken to some extent in their understanding about what the metadata photos evidence. That then is my starting point for resolution. Mrs P has valued her lost items, which she believes are evidenced in the metadata photos, at around £6,300. I'm going to say that, to account for the fact that she may be mistaken in respect of some of those items, Gresham should pay £5,000.

I appreciate that £5,000 is more than the total of the items Gresham has so far accepted Mrs P has evidenced. But I'm satisfied that the increase of this sum, from the £2,983 it had offered, accounts for the fact that it has already been mistaken that Mrs P had not evidenced some items, some of which were large and distinct. So I think it's highly likely its mistaken about the majority of other items too.

I'm satisfied that requiring Gresham to settle for items which are evidenced by metadata photos, at £5,000, fairly and reasonably balances any likely flaws or misunderstandings in the evidence presented by both parties. Further I'm satisfied that it's reasonable to think that Mrs P most likely had furnished the property – with its main purpose being to home her family – with items costing up to around £5,000. I think this is a fair and reasonable settlement in all of the circumstances of the claim and complaint.

#### 8 large items, becomes 6 large items

There were 8 large items listed and referred to specifically by our Investigator. Of those eight, two – a divan bed and a set of drawers – were part of the list considered in my section above. They were shown in metadata photos and I won't address them again here. So there are six items remaining, referenced specifically by our Investigator, which Gresham agreed to consider.

I think that offer of consideration, at the point it was made, was fair and reasonable. However, given the difficulties I've set out above with the parties' views as to what they each think the metadata photos showed – I'm no longer satisfied that only directing Gresham to consider the 6 large items is reasonable. I'm simply not confident, given what I've seen here,

that the parties will be able to work meaningfully together to reach a fair outcome. So I've reviewed whether or not I think Gresham should settle for these items.

The six items in question are:

- 1) DINING TABLE & 4 CHAIRS - £500
- 2) TALL FRIDGE FREEZER - £300
- 3) FULL SIZE DISHWASHER - £300
- 4) 8KG WASHING MACHINE - £280
- 5) KING SIZE LEATHER SLEIGH BED WITH KING SIZE ORTHO MATTRESS - £800
- 6) DOUBLE WARDROBE WITH 3 INTERIOR DRAWERS - £500

I appreciate that Mrs P has no receipts for these items, and there are no photos (containing metadata anyway) of them pre-dating the current tenancy. I understand that Gresham thinks Mrs P has been unclear with it about when or who bought the items – such that it can't be satisfied she owned them.

Having taken all of that into account, I bear in mind the lengths Mrs P has shown she went to, to furnish this property – a divan bed, a living room suite, sets of drawers, mirrors, rugs. All items Gresham, following review of the metadata photos, has accepted Mrs P owned. I think it's fair to say Mrs P clearly wanted to look after those living in the premises – and given that was primarily her family, I think that was understandable. I think it was also understandable that she didn't have a fixed tenancy inventory in these circumstances. I don't think the latter is necessary, in the circumstances, to evidence that she, rather than any tenant, owned items in the property.

In the main I think the 6 items above are items a landlord furnishing a home might supply – a bed, a table and chairs. I've even lived in rented accommodation with these types of furnishings. Now I might not have expected to be provided, in those circumstances, a 'king size' bed, for example. I think it's fair to say that most landlords would provide the minimum product, likely of the lowest quality and/or price. But Mrs P was not, in this case, acting like 'most' landlords. She was acting with a degree of care and attention to detail that satisfies me the six items above were most likely provided, and therefore owned, by her.

I'm satisfied the costs Mrs P has attached to these items are not unreasonable in the circumstances. But I will give Gresham an opportunity to respond on them. If it has any evidence which might suggest reasonable equivalent items could be replaced for less, I'll consider that. Otherwise, or if anything it provides does not satisfy me that is the case, I'll likely require it pay Mrs P £2,680 in settlement of her claim for these 6 remaining items of contents. To be clear, this is on top of and separate to the £5,000 I'm minded to award for other items set out earlier in these provisional findings.

### Interest

Often, when an Ombudsman directs an insurer to settle matters by way of a cash payment, we award interest on top of the settlement sum. On this occasion though, I don't intend to include an award for interest.

I know the claim has been delayed and Gresham has been reluctant to offer settlement. However, I do think the current dispute started with Gresham holding some reasonable concerns about the claim. I'm also mindful that my current resolution directing Gresham to make payments, is made in somewhat unusual circumstances – as I've explained above. I'm mindful that, but for the unusual way this complaint has progressed, I would not be requiring Gresham to settle in cash at this stage. Which means, I think, that it's unlikely that any direction regarding interest would have been made by me. Therefore, I don't think it would be fair now – just because I've had to look at a cash settlement as a practical and workable resolution – to make Gresham pay interest.

### Compensation

I am going to add a direction for compensation to be paid. In short, I think Gresham had some reasonable concerns and I can understand why, initially at least, it was reticent about accepting photos as proof of ownership. However, I have found Gresham was wrong to decline the claim as it did – and it's clear to me that that decline, without full assessment of the photos, has caused Mrs P some upset and frustration. For that I think Gresham should pay £250 compensation.

I understand that Mrs P put in a lot of time and effort to gather photos, showing metadata, and comparing them to claim loss photos. I'm not awarding compensation in respect of this though. I think that, despite Gresham's often intransigence, this time spent by Mrs P was mainly in reasonable attempts to evidencing her loss. That was always for her to do."

### **Responses from the parties**

Gresham did not reply to my provisional findings.

Mrs P said she agreed with the majority of what I'd said. But, she said, her issue with the verification Gresham had undertaken was that she was not advised it was occurring – despite her contacting it on numerous occasions. She was just left in limbo, with debts and losses accruing. She said it was all very stressful – far more so than anything expected for a 'normal' insurance claim. Mrs P said if her questions had been answered, her upset would have been alleviated.

### **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 appreciate that the claim has been stressful for Mrs P at times. I don't doubt it was upsetting and inconvenient in early 2023 when issues first arose about contents items and a loss of rent claim had been put forward but no payments against it made. However, I can see that there was an exchange of emails in February and March 2023 where the loss adjuster explained some of Gresham's concerns over the contents items and that the loss of rent claim could not progress until further detail was received and reviewed.

I understand that Mrs P might have expected matters to progress more quickly but I'm not persuade she was kept totally in the dark about what was going on and the concerns Gresham had. As our Investigator found in a view on Mrs P's earlier complaint, Gresham's enquiries were reasonable.

So Gresham's enquiries were reasonable, it put Mrs P on notice about its concerns and told her that more detail was needed before the claim could progress. As such I'm satisfied that any worry caused to Mrs P at that time was an unfortunate but natural result of Gresham handling the claim in a fair and reasonable manner.

That said I am still of the view, as explained provisional, that, as the claim progressed, Gresham's handling became unfair and unreasonable. I'm also still of the view that, to resolve matters, as well as paying some compensation, Gresham will need to make further claim settlements to Mrs P.

My review is now concluded. My provisional findings, along with my further comments here, are now the findings of this, my final decision.

### **Putting things right**

I require Gresham to pay Mrs P:

- £5,000 in settlement for damaged beyond repair contents items likely, reasonably evidenced in metadata photos.
- £2,680 in settlement for 6 large items of furniture likely owned by Mrs P but damaged beyond repair by the leak.
- £250 compensation.

### **My final decision**

I uphold this complaint. I require Gresham Insurance Company Limited to provide the redress set out above at “Putting things right”.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mrs P to accept or reject my decision before 19 December 2024.

Fiona Robinson  
**Ombudsman**