

The complaint

Mr J has complained that esure Insurance Limited (esure) unfairly declined a claim under a home insurance policy.

What happened

Mr J had a buildings insurance policy with esure from April 2016 onwards. On 21 April 2022, he added contents insurance to the policy. About a month later, Mr J contacted esure to say he had been burgled the previous day, 17 May 2022, and various items had been stolen.

esure investigated the claim and interviewed Mr J. Mr J continued to say the burglary had happened on 17 May 2022. However, he later signed a statement that said it had happened on 17 April 2022. esure wrote to Mr J and said it was unable to provide financial assistance as it considered that Mr J had breached the fraud conditions in the policy. It said Mr J had changed the date of loss and the date now provided was before he had added contents cover to the policy. It said it considered he had done this to gain a benefit to which he wasn't entitled. esure said it had also been unable to validate ownership of the items claimed for and how they came to be in Mr J's possession. esure cancelled the policy.

Mr J later complained. When esure replied, it said it had made the right decision to decline the claim. So, Mr J complained to this service. Our investigator didn't uphold the complaint. She said it was reasonable that esure voided the policy. Mr J changed the date on which the burglary happened. Mr J had also provided inconsistent information about how he had purchased the items.

As Mr J didn't agree, the complaint was referred to me.

I issued a provisional decision that said I didn't intend to uphold the complaint. I said I was more persuaded that esure had shown there was enough reason to decline the claim on the basis of fraud. This was because I thought it was reasonable for esure to decide Mr J had changed the date of the burglary so he could financially benefit from cover he wasn't entitled to. However, I said I thought the evidence about most of the stolen items was less persuasive, as esure hadn't necessarily shown Mr J was seeking to gain a benefit under the policy to which he wasn't entitled or that it therefore showed it was likely to be fraud.

Following my provisional decision, Mr J obtained a copy of the police report. This showed the date of the burglary as 17 May 2022, which was the date on which he said it had taken place. He provided it to this service and it was provided to esure to consider. esure replied and said it had no issues with my provisional decision. It said it didn't think the later clarification of dates changed things in terms of the evidence of fraud and its decision remained unchanged.

I issued my second provisional decision on 23 April 2024. In my provisional decision, I explained the reasons why I wasn't planning to uphold the complaint. I said:

The basis of esure's fraud finding is that it says Mr J made a false claim under the policy. esure needed to show it was more likely than not that Mr J made a false claim. It also needed to clearly explain its reasons to Mr J.

In the letter esure sent to Mr J, it said:

"It is considered, based on the evidence gathered to date, that you have attempted to amend the date of the loss to fit the policy cover to gain a benefit to which you are not entitled, and we have been unable to validate ownership of the items being claimed for or establish how and when they came to be in your possession."

So, I've looked again at the date of loss. esure said Mr J deliberately gave the wrong date for the burglary so that he had contents cover in place to cover the loss. Mr J had buildings only cover from 2016. On 21 April 2022, he added contents cover to the policy. On 18 May 2022, Mr J contacted esure to make a claim for a burglary. He said the burglary had taken place the previous day, which was 17 May 2022.

esure investigated the claim. As part of this, Mr J was asked in more detail about what had happened. He continued to say the burglary happened on 17 May 2022. However, he later signed a statement that said the burglary had taken place "on the evening of 17 April 2022 (not 14 May 2022)". Based on this, esure concluded that Mr J had changed the date of the burglary to a date in May so that he could make a claim under the policy, given he only had contents cover in place from 21 April 2022. I note that when esure interviewed Mr J about the claim over the phone the person who spoke to Mr J told him the police report would be requested, but that it might take some time to arrive. However, esure didn't request the police report. Mr J has now provided the police report. It showed the burglary was reported to the police as taking place on 17 May 2022. This is the date Mr J said it happened. He had buildings and contents cover in place at that time.

The police report is consistent with when Mr J said the incident happened. I'm aware Mr J signed a statement to say it happened on 17 April 2022. It's my understanding that it was someone acting on esure's behalf that handwrote the statement, although Mr J seemed to sign it. Mr J has told this service he told the person who wrote the statement that he couldn't read or write. Mr J also previously told this service he was unable to read or write.

I note the statement said the incident didn't happen on 14 May 2022. But I'm not clear where the 14 May date came from as, until that statement, I'm not aware of anyone suggesting that was the date on which the burglary happened. So, I think there are some questions about how reliable the statement was and whether Mr J knew what he was signing.

I also think the police report indicates there is evidence the burglary took place on the date Mr J said it did. If that is the case, he didn't make a false claim in relation to the date on which the event happened and, on that basis, he wasn't trying to gain something under the policy he wasn't entitled to. He had contents cover in place on 17 May 2022.

The second element of esure's concern was that it was unable to validate ownership of the items or establish how and when they came to be in Mr J's possession. Mr J told esure he bought the items from a friend.

When esure later wrote to Mr J to explain its concerns, it said:

"[A company working for esure] have spoken to [Mr J's friend]... he confirms he did write the receipts you have provided but only recently at your request and not at the point of sale.

[Mr J's friend] advised that he did sell you the items you are claiming for, apart from the [branded] watch which he had no knowledge of and didn't sell to you. Also, that he is not an antiques dealer and that they were his personal items he brought with him from [another country] and sold to you.

This is a clear contradiction to the information provided by you previously where you stated you looked at [an online marketplace] on [Mr J's friend's] phone, contacted the [online marketplace] seller and the [online marketplace] seller came to your house and that the receipts provided were produced at the time of the sale."

So, what esure's investigation seemed to establish was that Mr J's friend said he had sold all but one of the items to Mr J. But the friend explained that they hadn't come from an online marketplace, as they were his own personal items. The friend also said he had provided the receipts but only recently, which was 2022. I'm aware the receipts were dated as 2016 and 2017. esure hasn't suggested that what Mr J's friend said was untrue. So, esure potentially seemed to accept that Mr J had bought the items from his friend and that Mr J therefore owned them. It also didn't raise concerns about whether Mr J had paid the amount he said he did for the items. What its investigation seemed to find was that the friend hadn't bought the items in the way Mr J said he had. But, I don't currently think I can fairly say esure has shown Mr J was trying to gain something he wasn't entitled to under the policy for the items the friend said he sold to Mr J.

Mr J also claimed for a watch. Mr J said his friend sold him the watch. Mr J's friend said he didn't do so. I think Mr J's friend saying he didn't sell Mr J the watch is persuasive evidence that he didn't do so. I think this supports that Mr J made a claim for a watch he wasn't able to show he owned. That being the case, I think it was fair for esure to decide Mr J was trying to gain something he wasn't entitled to.

Overall, having thought about this carefully, I'm more persuaded esure has shown there was enough reason to decline the claim and make a fraud finding. This also meant esure didn't need to pay any of the claim. As a result, I don't currently intend to uphold this complaint or to require esure to do anything further.

I asked both parties to send me any more information or evidence they wanted me to look at by 21 May 2024.

esure didn't reply. Mr J, in summary, said:

- It was a genuine insurance claim.
- He gave the correct date for the burglary. But he got the dates mixed up.
- His friend had sold him the watch and had told Mr J he had bought it from an online marketplace.
- He had lost the receipts in his house. So, he had asked his friend to write some new ones.
- He had provided all the evidence he has.
- It isn't fraud.
- His property was broken into and his possessions were taken.

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.

Having done so, I don't uphold this complaint and for the reasons given in my provisional decision. As part of reaching my final decision, I've thought again about the evidence available to me. I'm aware Mr J has said it was a genuine claim. However, he hasn't provided any information or evidence that persuades me it was unreasonable for esure to decide he was trying to gain something he wasn't entitled to by claiming for the watch. Mr J said his friend sold him the watch. Mr J's friend told esure that he didn't.

I remain of the view that it was reasonable for esure to decline the claim and make a fraud finding. I don't uphold this complaint or require esure to do anything else in relation to it.

My final decision

For the reasons I've given above and in my provisional decision, my final decision is that this complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 19 June 2024.

Louise O'Sullivan
Ombudsman