

The complaint

Mr E complains that Covea Insurance Plc unfairly declined a claim he made against his home insurance contents cover after his furniture was stolen by a bogus buyer.

What happened

Mr E said he'd put his dining table and chairs up for sale on an on-line platform for £400. Mr E said he'd arranged with a buyer for them to call and collect the furniture. And after taking the items the buyer showed his mobile phone screen to Mr E. This appeared to show a bank transfer to Mr E for the £400. Mr E said as the buyer left he took a note of his car registration number. Upon checking his bank account Mr E could see the £400 hadn't been received. He said he called the buyer who claimed there was a fault with the dining table, and it was arranged for Mr E to collect it. But Mr E found he'd been given a false address. And on reporting the matter to the police also found the car registration number wasn't correct. Mr E said while he'd been shown the transfer of the £400 it now seems the bogus buyer wasn't connected to the internet so the transfer was never completed.

Mr E reported the matter to the police and claimed against his contents insurance for the theft of his property. Covea declined the insurance claim under the policy exclusion of deception. Mr E complained to Covea.

Covea said they'd acted fairly in declining Mr E's claim as for the deception element of the policy to be considered Mr E would need to show that someone he wasn't expecting had gained access to his property by pretending to be from the gas board, water board, or electricity board. And this wasn't what had happened.

Mr E wasn't happy with Covea's response and referred his complaint to us.

Our investigator while he accepted that Mr E had been the victim of a bogus buyer being untruthful. He didn't consider Covea had acted unfairly as they'd applied the terms of the policy fairly.

Mr E disagreed and asked for an ombudsman 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.

Having done so I'm not upholding this complaint. I know my decision will be disappointing for Mr E, while I empathise with the position he finds himself in, for me to say Covea must do something different I must first be satisfied they declined his claim unfairly I can't see that they have here which is why I won't be asking them to do anything else. I'll explain why.

For any insurance claim to be successful, the policyholder must show they have a valid claim, meaning an insured event happened that caused them damage or a loss. Insurable events are listed in the policy and reflect the fact that no policy covers everything that might

happen. Only loss caused by one of the one-off perils (or events) listed in the policy will be covered. If the loss can be shown to be caused by such an event, then the insurer must pay the claim unless they're able to rely on one of the policy exclusions to decline it.

I've considered the contents insurance policy Mr E had with Covea. The policy Insurance Product Information Document (IPID) shows Mr E had Home Insurance Essentials cover for buildings and contents. And he was insured under his contents policy for:

"Damage to your contents caused by things such as fire, storm, flood, theft, escape of water, malicious acts and subsidence".

So, theft is an insurable risk covered under the policy. Theft by deception, which is what seems to have happened here is where consumers are tricked or mis-led and a theft happens because of this. I can see there is a general exclusion term under the policy for *"Deception"* which says::

"Any loss or damage caused by deception unless the only deception is gaining entry to the home."

And its this exclusion Covea has relied on to decline Mr E's claim. In deciding whether Covea has applied this exclusion fairly I've also considered whether Mr E had taken reasonable steps to prevent what happened.

I can understand why Mr E thinks his claim should be covered. The bogus buyer went to great lengths to obtain his property by deception. But the deception wasn't only about gaining entry to his home to make the most of opportunities once in there. The deception started even before the buyer attended Mr E's home and continued thereafter. A classic example of gaining entry by deception would be cold-calling and pretending to be someone from an approved organisation, such as someone pretending to be from a utilities company and persuading the homeowner to let them in. That's not what happened here.

In Mr E's case, he was expecting the buyer. The deception was around the intent, or not, to pay for the items handed over: not about a deception purely to gain entry to his home.

Its not in dispute that Mr E was deceived by the bogus buyer into letting him take his table and chairs from inside his property, and that he was led to believe that a money transfer had been done. While Mr E said he'd checked the mobile phone of the bogus buyer, I don't think he took the reasonable step of confirming the payment had reached his bank account before allowing the items to be taken.

So, I'm satisfied Covea has acted fairly and reasonably in declining Mr E's claim under the policy exclusion of theft by deception.

I know my decision will be disappointing for Mr E especially given he'd acted in good faith when letting the bogus buyer take his items. But I can't instruct Covea to settle Mr E's claim as I think they've applied the exclusion term fairly.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 6 October 2023.

Anne Scarr
Ombudsman