

## **The complaint**

Mr B complains about decline of a claim and cancellation of his motor insurance policy by his insurer, Highway Insurance Company Limited (Highway).

References to Highway in this decision include other businesses that did work for them (their agents).

## **What happened**

In December 2022 Mr B contacted Highway to tell them his camper van had been stolen and to lodge a claim. He told Highway he'd noticed smoke from a rear wheel when travelling. So he parked the van and carried on his journey. Mr B returned to the van later that day, but it was missing. Mr B reported the theft to the police. The van wasn't found.

Mr B told Highway he'd purchased the van privately earlier that month, which came with one key (which Mr B still had). Highway asked Mr B for pictures of the van, the keys, proof of purchase and a copy of the van's registration document. Mr B was able to provide a bank statement and image of the keys.

Because of what happened, Highway asked a firm (TCG) to investigate the claim. They took a statement from Mr B and looked at other evidence and information, TCG made a report which said the key Mr B had wouldn't fit the van lock, because the key and the van were made at very different times (the key was made around six years after the van). TCG also thought the key had been made to look older than it was. And questions at the place where Mr B said he'd left his van didn't confirm anyone knowing about a van being stolen on the date Mr B said it was.

After more investigation, Highway said the van wasn't registered to Mr B by DVLA at the time of the theft and the last recorded change of keeper was in 2019. There were also concerns about the purchase invoice for the vehicle and the seller.

Unhappy at the time being taken to assess his claim, Mr B complained to Highway. In their final response, sent in April 2023, they said they had concerns about the claim and that the investigation meant more checks were needed. They thanked Mr B for his support, information he'd given and for agreeing to be interviewed by TCG. But they couldn't validate the claim yet, needing some more information to check before making a decision on the claim.

After their final response, Highway declined Mr B's claim in May 2023, referring to the *General Conditions – Claims Fraud* section of the policy about making a claim (or part of a claim) that was fraudulent, false or exaggerated. Highway said they believed Mr B had acted wrong by trying to make a false claim to make money. They also cancelled Mr B's policy with from June 2023.

Unhappy at what happened, Mr B complained to this Service. Our investigator didn't uphold the complaint, saying Highway didn't need to do anything. She reviewed the evidence available, she noted Highway's concerns over the claim and what they believed were

changing stories or things didn't match up. Having considered these issues, she said Highway investigated the claim reasonably and, acted reasonably declining the claim and cancelling the policy.

Mr B disagreed with the investigator's further view and asked an ombudsman to consider the complaint. He thought Highway's evidence was circumstantial and they had ignored what he'd told them. He also said it was unfair that TCG interviewed him, given his mental health.

### **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 have to decide if Highway have acted fairly towards Mr B. To do this I've thought about what Mr B has told us about his circumstances, in particular his vulnerability and his mental health.

The main part of Mr B's complaint is Highway declining his claim and cancelling his policy. He says they did so unfairly, based on evidence that was circumstantial. Highway say they acted fairly and reasonably, after their investigation that found there were concerns over the claim, including changing stories or things that didn't match up.

Having considered both views carefully, together with the evidence and information available, Highway did act fairly and reasonably in declining the claim and cancelling Mr B's policy. I know this will be disappointing to Mr B, so I'll tell you why I've come to this conclusion.

Because it was important to Highway's decision, I've first looked at their investigation of the claim and what Mr B said happened. What was very important was the findings and decision in TCG's report. They match the points made by Highway when they declined Mr B's claim and cancelled his policy. For example, the registration document still had the name of the previous registered keeper even though it had been written over. And there was no clear proof of Mr B buying the van, which Mr B says he paid for in cash.

I've also seen the report from the forensic analysis of the key for the van. It said the key provided by Mr B was made around six years after the van and doesn't match the keys made for the type of van Mr B was claiming for, and none of the two original keys were available. And the part of the key that goes in the lock looked like it had been made to look older than it was.

In declining Mr B's claim and cancelling his policy, Highway referred to the following policy terms and conditions, under the section *General Conditions – Claims Fraud*. Specifically, it states the following:

*"If you or anyone representing you:*

- *Makes a claim or part of any claim that is fraudulent, false or exaggerated:*

*We may:*

- *Reject the claim or reduce the amount of payment we make;*
- *Cancel your policy from the date of the fraudulent act and not return any premium paid;*
- *Recover from you any costs we've incurred relating to the fraudulent claim and any further claims notified after the date of the fraudulent act;*

- *Pass details to fraud prevention and law enforcement agencies who may access and use this information. Other insurers may also access this information."*

Given what Highway found, it was fair and reasonable for Highway to decline Mr B's claim and to cancel his policy, in line with the policy terms and conditions.

Mr B says the evidence is circumstantial and Highway have ignored what he's told them. However, looking at the reports and Highway's case notes, I don't think this is the case and while my role here isn't to assess a claim or reach any conclusion on the truth of what Mr B has said, I am persuaded that Highway have acted fairly and reasonably in this case.

I've also considered Mr B's point that he shouldn't have been interviewed by TCG given his vulnerability and mental health. I've thought about this carefully, but Highway (and TCG) were aware of Mr B's vulnerability and circumstances and Mr B did agree to be interviewed. And he signed a witness statement after the interview. So, I think Highway (TCG) acted reasonably in their handling of the claim, given Mr B's vulnerability and mental health.

### **My final decision**

For the reasons set out above, it's my final decision not to uphold Mr B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 29 February 2024.

Paul King  
**Ombudsman**