

The complaint

Mrs K has complained that Sabre Insurance Company Limited unfairly declined a theft claim she made under her car insurance policy. Sabre has cited its fraud exclusion as a reason for declining the claim.

What happened

Mrs K says she bought a car in November 2022 under a finance agreement. In May 2023 she bought a car insurance policy with Sabre. In June 2023 she reported the theft of the car to Sabre, and to the police.

Sabre investigated the claim and made the decision to reject it. It applied its fraud exclusion as Sabre said Mrs K had provided false statements.

Mrs K complained to Sabre. She was unhappy about its decision and she was unhappy with the way an interview was handled by an Independent Investigator appointed by Sabre.

Sabre didn't uphold her complaint. So Mrs K asked us to look at her complaint.

Our Investigator didn't recommend the complaint should be upheld. He thought Sabre had reached its decision reasonably.

Mrs K didn't agree and wants 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.

It isn't for us to decide whether a policyholder has acted fraudulently or not. Instead, I need to decide if Sabre acted reasonably on raising the fraud condition and taking the action it has. So I've looked at the policy, what Sabre has taken into account, and whether I think this was fair.

Sabre's policy says:

“c) Claims Fraud

If you or anyone representing you makes a claim or a statement in connection with any claim or part of any claim knowing it to be fraudulent, false or exaggerated we may:

i. reject the claim or reduce the amount of payment we make.”

Sabre asked Mrs K to return both sets of keys, the vehicle registration document and her driving licence.

Sabre received the registration document, but didn't receive the keys or driving licence. Mrs K said she personally sent the keys with the registration document. She said she didn't send her driving licence, and this would follow.

As Sabre didn't receive the keys, it instructed an Independent Investigator to interview Mrs K. Mrs K was interviewed twice due to inconsistencies in the information she gave.

I understand Mrs K said she felt intimidated by the Investigator during their second visit and by the questions asked of her.

Sabre says that it asked the Investigator about this. He and his colleague, who attended as a chaperone, didn't agree. Sabre said it wasn't the Investigator's intention to intimidate Mrs K. Sabre understood the Investigator's position was checked with Mrs K and her father, who arrived during the interview process, and no concerns were raised at the time.

I appreciate that being interviewed might not have been a comfortable experience for Mrs K. But an insurer is entitled to make reasonable enquiries when investigating a claim. I don't have any evidence to show the Investigator on behalf of Sabre acted unprofessionally or in an intimidating way.

Key inconsistencies from the information provided by Mrs K were:

- MS K said she personally posted the keys, registration document and (initially) driving licence to Sabre. She provided proof of postage.
- Sabre asked Mrs K if the post office had CCTV. Mrs K provided a post office address and said she had called that post office, which told her it had no CCTV.
- Sabre asked Mrs K to provide proof of the post office she called – Mrs K said she no longer had a record from her call history.
- On checking the proof of postage, Sabre found that Mrs K had provided an incorrect post office address, and on visiting the correct post office, the Independent Investigator found it had multiple cameras.
- On being able to obtain the CCTV footage from the post office, this showed that Mrs K didn't post the documents to Sabre. It was a relative.
- Colleagues at Sabre and working with the Independent Investigator viewed the footage of the transaction at the post office. They found that the footage showed Mrs K's relative removed keys from the envelope before it was sealed, but after it had been weighed. This prompted a second interview with Mrs K.
- Although Mrs K bought the car in November 2022, there was no evidence to show the car was insured from this date until insured with Sabre in May 2023.
- Mrs K said she didn't drive the car before it was insured. But the car had been driven to another city for an MOT in March 2023. Mrs K said she must have driven the car then.
- There was a mileage discrepancy in the invoice Mrs K provided compared to the mileage recorded for the MOT in March 2023 of around 4,000 miles. This didn't match Mrs K's statement that she hadn't driven the car between November 2022 and May 2023 when she insured it with Sabre.
- Mrs K then provided a copy email from the seller of the car to say the mileage on the invoice was incorrect by 3,500 miles.
- Mrs K provided an installation certificate for a tracker device – which was an endorsement condition under the policy – which started after the policy was in force. Sabre said if it knew the car didn't have a tracker device installed at the outset, it wouldn't have offered a policy.

Sabre has provided a screenshot of the log which records the documents it received by post. The copy screenshot shows Sabre didn't receive car keys under the post reference on the day and time that matched the CCTV footage.

I have viewed the CCTV footage and I'm aware that Mrs K was shown the footage when she was interviewed for a second time by the Independent Investigator. I can understand why Sabre reached the conclusion it did – and ultimately it hasn't received the keys to consider the claim.

After reviewing the footage, Mrs K said that she and her relative send many parcels in their spare time and so she didn't recall that it wasn't her who posted the documents to Sabre, or that it was from a different post office to the one she's previously said.

Mrs K's relative spoke with the Independent Investigator and denied he had removed keys from the envelope before posting it to Sabre.

Mrs K didn't sign a second witness statement. Her relative didn't sign a witness statement.

Putting all of its concerns together, I think there were a number of inconsistencies in the accounts given by Mrs K which Sabre deemed to be false. So I don't think it was unreasonable for Sabre to decide the fraud condition of the policy had been breached. And having reached that conclusion, I don't think Sabre acted unreasonably in rejecting Mrs K's theft claim.

My final decision

For the reasons I've given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 1 April 2024.

Geraldine Newbold
Ombudsman