

The complaint

Mr and Mrs W complains that The National Farmers' Union Mutual Insurance Society Limited ("NFU") has unfairly declined a theft claim under their home and lifestyle insurance policy.

Any reference to Mr and Mrs W or NFU includes respective agents or representatives.

What happened

The background of this complaint is well known between parties, so I've summarised events. My summary includes details of those complaints previously considered by this Service and the surrounding history.

- Mr and Mrs W had a previous dispute with NFU regarding a claim that concerned vandalism, alleged fraudulent agents acting as debt collectors and alleged illegal possession of their property.
- NFU declined the claims made as it said its policy wouldn't cover items seized or confiscated by any legal authority – which it was satisfied was the case here. NFU had said if Mr and Mrs W could successfully challenge the Court order in question and show it was a forgery it would reconsider this.
- I issued a final decision on 8 November 2023 not upholding the complaint, determining:
 - NFU's decision to decline the claims for theft by deception and for malicious damage was fair based on the available evidence.
 - Alternative accommodation ("AA") wouldn't be provided if there was no attached successful claim for damage – which here there wasn't.
 - The Court of Appeal's recognition of the Writ as valid – which is something Mr and Mrs W challenged repeatedly – was most persuasive to me taking into account all of the submissions made.
 - NFU's decision to reconsider the claim if any relevant evidence was shown to be fraudulent was fair.
- An extensive back and forth between Mr and Mrs W and this Service continued. I issued a dismissal decision on 19 August 2024 in which I explained the rules related to the dismissal of complaints for this Service – which says considering the subject matter of a complaint that had already been considered by this Service may seriously impair our effective operation – unless material new evidence which the Ombudsman considers likely to affect the outcome had subsequently become available to the complainant.
- I considered whether the evidence they'd provided met this above requirement. And I was satisfied what they'd provided *did not* amount to material new evidence which I considered likely to affect the outcome and which was subsequently available to them.

- I outlined within this decision that Mr and Mrs W had a more recent contents claim that related to a model railway that had not been considered within my previous 2023 final decision. So, I arranged for our Investigator to set up this complaint concerning the railway separately. This complaint concerns just this matter regarding the contents claim for the model railway.
- On 23 March 2023 NFU cancelled Mr and Mrs W's policy. It said this was due to one of the risk addresses of the property being unoccupied and that they no longer owned the property and the contents within. It said the other property was occupied by tenants, and *"as we are unable to insure your main residence, we cannot continue cover for a tenanted property under our standard Home & Lifestyle insurance policy. As a result, it has been decided to use the cancellation condition in the policy which means that no cover will be provided after 23/03/2023 at 12 noon."*
- Mr and Mrs W made a claim to NFU in late 2023 concerning a theft from around February 2023. This concerned the theft of specific contents, a model railway and track. NFU raised concerns about the details of the loss and declined the claim.
- In January 2024 Mr W provided a witness statement to NFU. He said the theft of his model railway collection was discovered in February 2023.

Mr W said he'd reported matters to the police in September 2022 and February 2023 and was told there were no leads. Mr W said he did not believe the theft was in connection to the fraudsters who had been involved in previous theft or alleged illegal occupation of his home. He estimated the losses to be in the region of around £120,000.

- NFU wrote to Mr and Mrs W in February 2024 explaining that it wouldn't cover the claim. It said there were inconsistencies in relation to the incident and asked Mr and Mrs W for more information to consider it further – but it said it didn't receive a meaningful response to its questions. NFU said it passed the matter to a firm of solicitors (Company D) for an independent review.
- Company D issued a response on 13 March 2024 confirming NFU's position it would not cover the claim. This said:
 - Mr and Mrs W sought to make a retrospective claim after the policy had been cancelled in March 2023. This was around September 2023 in which they said the theft took place in February 2023.
 - Mr W had been clear that the theft was not linked to the previous claim – which had been declined. NFU said Mr W's witness statement from January 2024 stated the matter had been referred to the police, but it had no evidence to support this report was made.
 - NFU highlighted records of an email from 3 March 2023 which said *"They are now threatening to destroy and remove my model railway collection..."* in reference to Company C (another solicitors firm). It highlighted the email described the matter as under threat and not stolen, despite this being a week *after* Mr W had now said it was taken in February 2023.
 - NFU challenged Mr W's version of events that he gained lawful possession of his property – saying it appeared he'd broken in around November 2022. It said the property still appeared to be up for sale as a result of the previous warrant of possession since their eviction in July 2022.
 - Company C had confirmed the railway collection remained in situ until 28 May 2023 when it was removed by the bailee of the property – following a notice under the Torts (Interference with Goods) Act 1977 which had been served by Company C in October 2022 which specifically asked Mr W to remove the

model railway from the site.

- It concluded that Mr and Mrs W's actions to report the loss as February 2023 was fraudulent as the items remained on site until May 2023 and these actions were to try to claim on the policy before it had been cancelled and therefore a claim could not have proceeded. NFU declined the claim – and said it sought to recover investigation losses related to the claim.
- Mr and Mrs W raised concerns about the outcome of the claim and Company D's letter. NFU issued a final response on 26 March 2024 addressing these points. It said its position was clear it would not cover the claim further at this time, and it said Company D's letter was accurate.
- One of our Investigators looked into the complaint and didn't uphold it. He said:
 - NFU's policy explained that in the event of a fraudulent claim NFU would have the ability to void or cancel the policy without refunding premiums and decline a claim.
 - NFU said it had concerns that the date of the theft was listed as February 2023 by Mr and Mrs W – although this wasn't raised with NFU until October 2023. NFU said it had an email post February 2023 that Mr W had provided, alleging a criminal gang were threatening to steal the model.
 - NFU also said the model had remained in the property until 28 May 2023 when it was removed by the bailee of the property, following a legal notice being served upon Mr and Mrs W in October 2022 asking them to remove it.
 - The Investigator said within the notification of loss phone call made in October 2023 Mr W had been very specific the theft took place in February 2023 and that this was separate to the previous claim made in 2022. The Investigator also discussed an email from 3 March 2023 in which Mr W outlined his concerns about threats to remove and destroy his collection.
 - The Investigator said the model railway had been removed in May and June 2023 and then sold at auction – which he'd seen evidence of.
 - The Investigator concluded that NFU had acted fairly and reasonably in concluding Mr W had made false and misleading statements about the model railway and its theft – with the intent of making a claim that otherwise wouldn't be covered by the policy. The Investigator concluded that NFU's actions in seeking investigation costs was reasonable.
- Mr and Mrs W disagreed, providing a substantial response, including photos, various communication between themselves and NFU and others. In summary:
 - Allegations about agents of Company D and NFU, saying were receiving payment from "the corrupt cartel" who were being investigated by the relevant fraud body.
 - Mr W had reported the theft of the model railway to the police in November 2022.
 - They challenged that they had been fraudulent – saying they had only some of their railway still present on site until May 2024. They also said the solicitors firm taking the items and auctioning them still amounted to them being stolen – this was because "the writ" that allowed them to take the items was not genuine.
 - The model railway being stolen was not connected to the previous incidents.
 - An email Mr W sent was a repeat email that was unanswered from December

2022 which explained the description of the railway being under threat instead of stolen.

- Company C acting as a bailee was “*bogus*” so they were not able to legally take the items, nor should we follow their testimony.
- They repeatedly stated “*the Writ*” that had been used to obtain possessions was not legal and fraudulent in nature.
- Our Investigator looked again – but didn’t change his mind. He said:
 - He wouldn’t go into matters already considered by this Service under previous decisions.
 - While Mr W had asserted the theft of the railway had been reported to the police in November 2022, he’d never provided any evidence to support this. And within the call recording from October 2023 Mr W had been clear the theft of the railway was separate to any previous claims.
 - The description around the highlighted email didn’t connect to any of the email chains we had so Mr W’s commentary about it appeared unsupported.
 - The solicitors firm (Company C) that carried out the removal of items and auction appeared to be regulated and above board, so he wasn’t persuaded their position or statements should be dismissed.
 - Overall Mr and Mrs W had provided little beyond their own statements about their version of events – and as a result he was more persuaded by the auction receipts, Company C’s explanation, and Mr W’s statements within his notification of loss phone call and his email of March 2023.
- Mr and Mrs W provided further responses. This included many pieces of evidence they had sent to this Service previously, and statements about agents of the firms involved. Many of these documents have been sent several times to us since the assessment.
 - They believe Company C was acting to cover up its own actions.
 - The theft date was between 15 December 2022 and 24 February 2023 when discovered by neighbours. This was supported by the circumstances of a vacuum cleaner appearing in the main house that had previously been stored in the outbuilding alongside the railway. They included a photo of this device.
 - Mr and Mrs W asked for copies of everything NFU had provided to this Service for their consideration.
 - They requested this Service direct NFU to pay a sum of over £300,000 alongside compensation to account for stress and hardship caused.
 - NFU was the party that determined the thefts were entirely separate.
 - Mr and Mrs W provided various receipts of model railway materials from years prior as well as photos. They said this shows NFU had not considered the value of all of the items as well as the price increasing since their original purchases. They also said other items had been unaccounted for.
 - The Investigator explained this Service would only share information that was material to the decision he’d reached – not a full file of everything we’d received from NFU. He provided Mr and Mrs W with a copy of the receipts from the auction house showing the model items were sold.

As the matter wasn’t resolved the complaint has been passed to me for an Ombudsman’s final decision.

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'll explain why.

Mr and Mrs W's submissions are extensive, and I won't be responding in similar detail. This is not intended as a discourtesy, but a reflection of the informal nature of our Service.

My role is to focus on what I consider the crux of the complaint to be which means I will only comment on those things I consider relevant to the decision I need to make. But I want to be clear I've considered all evidence submitted by both parties.

I also want to acknowledge Mr and Mrs W have requested all submissions provided by NFU. As our Investigator has outlined, this isn't something we would share. I'm satisfied we've met our obligations under natural justice in sharing the key evidence that has been relied upon, and would note that the vast majority of this has been either sent to Mr and Mrs W previously or was submitted by themselves. They've provided nothing further since receiving this evidence some weeks ago – and I would note I'm satisfied they've had ample opportunity to submit anything further.

There are several aspects to Mr and Mrs W's complaint. As I've outlined above, having issued two decisions previously on subject matter concerning previous claims this particular decision is only about the theft claim related to the model railway.

Mr and Mrs W have said the claim should be paid, and that their policy should never have been cancelled. So, I've looked at the aspects of this in turn.

NFU declined Mr and Mrs W's claim and relied on the fraud condition within the policy. My starting point is to look at the policy terms. Under the heading "*Fraud and misrepresentation*" it says:

"If YOU or anyone acting for YOU:

- 1. makes a claim which is fraudulent and/or intentionally exaggerated and/or supported by a fraudulent declaration, statement or other device; and/or*
- 2. intentionally misrepresents, misdescribes or withholds any material fact relevant to this insurance;*

WE will not pay any part of YOUR claim or any other claim which YOU have made or which YOU may make under the POLICY and WE will have the right to:

- 1. avoid, or at OUR option cancel, the POLICY without returning any premium that YOU have paid;*
- 2. recover from YOU any amounts that WE have paid in respect of any claim, whether such claim was made before or after the fraudulent claim; and*
- 3. refuse any other benefit under the POLICY."*

I'm satisfied these terms clearly set out the actions required to fall foul of this condition and the potential consequences as a result.

So, I have to ask whether Mr and Mrs W's actions amount to a fraudulent claim or intentionally exaggerated statement, or they've intentionally misrepresented or misdescribed any material fact relevant to the insurance (or any of the other relevant terms detailed

above). In doing so, I'll look at the relevant evidence.

Mr W's policy was cancelled by NFU in March 2023. This means any events that followed the cancellation wouldn't be covered by this policy.

I've listened to Mr W's notification of loss call from October 2023 – within this Mr W described the railway theft as a “*different break in and robbery*” and repeatedly said to the agent this was not related to the previous claims he'd made and “*not connected*”. And he said it took place within the last week of February 2023.

NFU's position is that Mr W's claim overall was fraudulent. It said the events didn't take place in the way described, nor did it take place in February 2023.

First NFU has said it is questionable why the alleged theft took so long to report. On its face, I can understand the concern and I think it was reasonable for NFU to question this.

NFU has provided me with an email from 3 March 2023 from Mr and Mrs W to NFU. It detailed concerns about theft and damage, and says:

“They are now threatening to destroy and remove my model railway collection valued at (at least) £120,000, hence criminal notice sent to bent solicitor's firm...”

NFU raised concerns that this email was sent *after* the alleged theft took place. I agree this reads in a way that clearly indicates the item is only at threat of being taken, not that it was already taken some weeks prior as Mr and Mrs W have later said.

Mr W has since said this email “*was a repeat of an unanswered e-mail of December (2022) hoping to identify the thieves of the model railway.*” There's nothing within the email chain I've seen that reflects this – and despite being challenged on this, Mr W has not provided any evidence (such as the initial email he alleged was unanswered) to support his comments. So, I think NFU's concerns here are justified.

NFU raised concerns about the size of the loss. Saying that Mr W had repeatedly referenced the loss being in the value of at least £120,000. It said Mr W had initially referenced owning the collection alongside others of which he later was unable to provide any details of. Given the sums the items did sell for (considerably less than quoted), alongside the circumstances of the other individuals who allegedly owned and built the model over a substantial period of time – again I'm satisfied NFU's acted reasonably by challenging these points.

NFU also put to Mr and Mrs W that they had not reported the matter to the police around the time specified within Mr W's witness statement. Mr and Mrs W have said they did – but again, despite being given the opportunity to do so, they've never provided us with anything to this effect that supports his statement. So, I think it is reasonable that NFU has relied upon this not being true.

NFU has said that solicitors firm Company C had served Mr and Mrs W with a notice under the “*Torts (Interference with Goods) Act 1977*” specifying what items would be removed unless Mr and Mrs W removed them. Mr and Mrs W have referenced this letter as they have made serious allegations about Company C's agents – so I'm satisfied they received it. I've also been given a letter from Company C to NFU from April 2024 – this details the removal of the model railway was carried out by the bailee on 26 May 2023 and then sent to be auctioned. Mr and Mrs W have been given details of the auction prices the items sold for with supporting evidence. Mr and Mrs W have made comments to the effect of the bailee being “*bogus*” and indicated their concerns about Company C's agents should shape the weight I put on their statements. So, it seems to me their concern isn't whether Company C

has said when the event took place, simply whether I should believe its agents given the allegations Mr and Mrs W have made about them.

Mr and Mrs W have raised many concerns about Company C's agents and their credibility – but I've been given nothing to persuade me that these concerns are valid. Mr and Mrs W have referenced reporting various individuals to various crime or fraud agencies but have given little more than acknowledgement emails from those respective agencies in trying to demonstrate their concerns. So, I've got little to go on other than Mr and Mrs W's assurances.

As a result – I'm satisfied Company C's version of events is more persuasive on the timeline of events of when the model railway was taken – particularly taking into account the surrounding evidence including Mr W's own email I've referenced above. And it seems to me that the alleged theft was very much connected to the previous claims as they relate to the continued alleged illegal possession of the property – the subject of the previous claims.

Mr and Mrs W have made an argument about the presence of a particular vacuum cleaner within the main part of a property – saying this undated photo of the device definitively showed the loss didn't take place in May 2023. I've considered this point carefully, but this argument makes little sense to me – and does not outweigh the other evidence I've described above which I find more persuasive.

Taking into account all of the concerns that NFU has raised I'm satisfied it has fairly and reasonably applied its fraud condition in this claim and voided the policy. I'm satisfied that the concerns about the nature of the loss and date described by Mr and Mrs W do not match with the evidence I've seen – and were done so with the intent of materially benefiting from the policy which otherwise wouldn't have covered the claim.

Mr and Mrs W have also raised concerns about NFU's actions in seeking investigation costs. I see no reason to intervene within this as I'm satisfied NFU has acted fairly and reasonably as outlined above.

Mr and Mrs W have raised concerns about the cancellation of their policy. As I've outlined above I believe NFU's actions in line with its fraud condition was reasonable which enables it to void the policy. And in regard to the cancellation of March 2023 I'm satisfied this matter falls away because NFU fairly voided their policy so it no longer exists. Therefore, any concern they may have about the renewal from 2023 becomes immaterial due to the fraud condition fairly being relied upon – and therefore this is not a matter I need to discuss any further. Mr and Mrs W also raised concerns about the extent of the items sold at auction – as I'm satisfied there's no valid claim under the policy there's nothing further for me to consider.

My final decision

For all of the above reasons I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W and Mr W to accept or reject my decision before 2 January 2025.

Jack Baldry
Ombudsman