

The complaint

Mr L complains that Aviva Insurance Limited unfairly rejected his mobile phone insurance claim and cancelled his policy.

My references to Aviva include its agents.

What happened

Mr L had mobile phone insurance. The insurer for the policy was Aviva.

Mr L made a claim saying his phone had been stolen from his pocket while he was at an evening market on 2 December 2023.

Aviva asked Mr L for additional information about his claim, including proof of usage from his network provider. Mr L sent Aviva his network provider's letter with the proof of usage.

Aviva noted the network provider's letter said the phone had last been used on 1 December 2023. Yet Mr L had said on his claim form and in the additional evidence he had provided that his phone was stolen the following day. Also, Aviva said it had seen evidence the stolen phone was being used on a mobile phone network in a country to which Mr L had links. It said a phone that had gone missing in the UK and was being used abroad was unusual, concerning and matched patterns of mobile phone fraud it was seeing.

As such, Aviva declined Mr L's claim because it said it had reasonable grounds to believe the claim was dishonest. Aviva also cancelled his policy from the date of his claim and said it would not refund his premium. It said this action was in line with the policy terms.

As a separate matter, Aviva accepted it had given Mr L an incorrect timescale for it to respond to him and paid him £30 for his inconvenience.

Mr L sent Aviva a second letter that he said he'd received from his network provider, which indicated the last day of usage was 2 December 2023 (with the time of last usage being the same as the previous letter). But Aviva didn't change its position.

Mr L asked us to look into his complaint. Our Investigator initially thought Aviva had reached an unfair decision on the claim. He said it wasn't enough for Aviva to say Mr L's phone was being used in a country to which he had links.

Aviva didn't agree. It sent us evidence from Mr L's network provider which it said showed the phone had last been used on 1 December 2023. So it didn't accept the second letter Mr L had sent from his network provider was a genuine record of the phone's last usage.

Having considered all the evidence, our Investigator concluded that Aviva had reached a fair decision about Mr L's claim. Mr L didn't agree and sent us additional information, including records showing calls to and from his mobile phone number on 2 December 2023.

Our Investigator sent Mr L's additional evidence to Aviva, which has commented on it and explained why the evidence does not change its decision about the claim.

Our Investigator said he remained of the view that Aviva had reached a reasonable decision. Mr L explained why he didn't agree. The complaint's now been referred to me for a review.

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've decided not to uphold this complaint. I'll explain my reasons. In doing so, I'll focus on what I see as the central issues.

The relevant industry rules and guidance say insurers must deal with claims promptly and fairly and not unreasonably reject a claim.

The policy terms and conditions set out the basis of Mr L's agreement with Aviva. They say:

"Fraud.

If we have reasonable grounds to believe that your claim is in any way dishonest or exaggerated, we may cancel your policy immediately and not pay any benefit or return any premium to you. We may also take legal action against you.

Cancellation of your policy by us.

We (or any agent we appoint and who acts with our specific authority) may also cancel this policy for any valid reason. Valid reasons include, but are not limited to:

reasonable suspicion of fraud or where you have failed to provide us with complete and accurate information, as required by the 'Changes we need to know about' section. We may refuse any claim and cancel your policy immediately. Where your actions are deliberate or reckless you will not be entitled to a refund. We may also take legal action against you;"

When considering a claim it's reasonable for Aviva to ask for information to satisfy itself the claim was valid, as it did for Mr L's claim. The information Mr L initially provided from his network provider did not match the information he'd given to Aviva for when he'd last used his phone.

The first letter Mr L provided from his network provider dated 4 February 2024 said: *"Our latest usage data was recorded at 01 December 2023 at 15:46"*.

Mr L had told Aviva that he'd last used his phone between 20:00 and 20:30 on 2 December 2023, and that he'd noticed it was missing around 21:00 that day. So there was a clear discrepancy in the information provided by Mr L based on his network provider's letter.

Aviva asked Mr L about the discrepancy and explained its concerns about his nationality being the same as the country where the phone was being used after he reported it as stolen.

Mr L then sent Aviva a second letter he said he'd received from his network provider dated 15 February 2024 which said: *"Our latest usage data was recorded on 02 December 2023 at 15:46"*. (The second letter did not explain why the date of last usage in the first letter of 4 February 2024 was different). Mr L said he had no control over the location or usage of the phone after it was stolen.

Mr L has since provided additional evidence, to show that calls were made both to and from the mobile phone number he'd used with the stolen phone.

I've considered all the evidence and comments and I find Aviva fairly declined Mr L's claim, cancelled the policy and refused to refund the premiums. I say this because:

- Aviva has provided evidence from the network provider, which shows that Mr L's device's IMEI's last data usage was 1 December 2023 at "3:46:59 PM". This was in line with the date and time stated on the network provider's first letter of 4 February 2024. (The IMEI is the unique identifying number for the phone).
- The network provider checked when the phone Mr L reported as stolen was last used with *any* SIM card on its network, and the evidence is that the phone was last used on 1 December 2023 at "3:46:59 PM" with Mr L's phone number.
- Aviva has said that every time a device is used on a network, key information (including the IMEI number of the device in use) is transmitted to the network. One of the reasons for this is to check if the IMEI is blacklisted on the network. If it is blacklisted, the usage request (calls, SMS, internet access) is declined. I think this is an accurate summary.
- In this case, I can see that the IMEI number for Mr L's phone is recorded in the network log data, which the network provider has supplied and shows the phone was last used on that network on 1 December 2023. This doesn't support Mr L's claim that his phone was used on his network provider's network on 2 December 2023.
- I can see the second letter Mr L says he received from the network provider of 15 February 2024 said the last usage was on 2 December 2023, being the day Mr L said his phone was stolen. But the last usage time was much earlier than the time Mr L said he'd last used his phone to order and pay for food on an app. So there's still a discrepancy which I find Mr L hasn't reasonably accounted for.
- It's not clear to me why Mr L should have received two different letters from his network provider showing different dates (but identical times) for the last data usage. As I've said, the letters themselves don't explain the discrepancy. But importantly I think Aviva has provided enough evidence to show that the phone's last data usage was likely on 1 December 2023, more than 24 hours before Mr L says he last used his phone. Aviva obtained that evidence directly from the network provider and I find it persuasive.
- Mr L's evidence shows his mobile phone number was in use on 2 December 2023 (and afterwards). But the evidence he's supplied doesn't show that his mobile phone SIM card was being used in the phone that he reported as stolen. The network provider's evidence is that the phone Mr L reported as stolen was last used with any SIM on its network on 1 December 2023.
- I'm also satisfied that Aviva has shown that his phone is being used on a network in a country to which Mr L has links. The evidence that Aviva has obtained from the phone's manufacturer shows that Mr L's phone was updated on 17 January 2024 and the network provider changed to a network in the country to which Mr L has links. Mr L says he has no control over the country in which the phone is being used. But I think Aviva reasonably raised concerns about the authenticity of his claim.
- Mr L wants his network provider to confirm which IMEI number was in use - in conjunction with his SIM - on 2 December 2024. It would be for Mr L to obtain this

evidence.

- But in any event, I don't consider I need additional evidence to fairly decide this complaint. This is because Aviva has provided persuasive evidence from Mr L's network provider to show that his phone, as identified by its IMEI was last used over 24 hours before the date Mr L says he last used it and it was stolen. I'm satisfied that Aviva has done enough to show that it could fairly decline Mr L's claim, cancel the policy and refuse to refund the premium based on the conflicting information and its concerns about a pattern of fraud. So I don't uphold Mr L's complaint.

Mr L has not specifically mentioned his complaint that Aviva gave him an incorrect timescale to respond to him. I see that Aviva paid Mr L £30 compensation for his inconvenience. For completeness, I think Aviva's response to his concern about the timescale was fair.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 22 November 2024.

Amanda Maycock
Ombudsman