

The complaint

Mr M complains about Sabre Insurance Company Limited's decision to decline a claim and cancel a car insurance policy.

What happened

Mr M had a car insurance policy with Sabre. In May 2024, he reported the theft of his car and made a claim.

In November 2024, Sabre declined his claim. It said it wasn't satisfied the theft had occurred as Mr M had alleged. And because it felt Mr M hadn't sufficiently proven the purchase of the insured vehicle, it made the decision to decline the claim and cancel the policy in reliance of the policy fraud condition.

Mr M complained, and Sabre issued a complaint response in December 2024. It maintained its decision to decline the claim and cancel the policy.

Mr M remained unhappy, so he referred his complaint to the Financial Ombudsman Service.

The Investigator upheld the complaint. They said it wasn't fair for Sabre to rely on the fraud condition in the circumstances. They recommended Sabre reinstate the policy, remove cancellation records, reassess the claim and pay £250 compensation, along with interest on any claim payments.

Sabre disagreed. It said it was satisfied the claim and alleged theft were not genuine and didn't occur as Mr M had alleged. It maintained its decision to decline the claim and cancel the policy.

I issued a provisional decision, not upholding the complaint, and in it I said:

"Mr M has provided a lot of information in support of his complaint. I assure Mr M that I've taken everything he's provided into account. But in this decision I've focused on what I think are the key issues in this complaint. No discourtesy is intended by this, but it simply reflects the informal nature of the way that the Financial Ombudsman Service reviews complaints.

Under the terms of the policy, Sabre can cancel the policy and decline any claim, in the event of a claim or statement in connection with a claim by Mr M, that he knows to be fraudulent.

Sabre cancelled Mr M's policy and declined his claim because it believes the theft he claimed for didn't occur as alleged. It isn't for me to decide whether Mr M has acted fraudulently or not. Instead, I need to decide if Sabre acted reasonably in relying on the fraud condition and taking the action it has.

In deciding whether Sabre acted fairly, I've considered whether it has provided sufficient evidence to show it had reasonable grounds to conclude Mr M made a claim, or statement in connection with a claim, that he knew to be fraudulent.

I consider the evidence of Mr M's purchase of the vehicle, for the amount he stated, to be directly relevant to whether he suffered the loss he claimed for in May 2024. So, I've considered this below.

Mr M says he purchased the insured vehicle for £24,150 in cash in January 2024, from a private individual, and through an online advert that is no longer available. Mr M said he withdrew the cash for this purchase between 2021 and 2022, and kept the cash in his house, instead of depositing it back, after he decided against purchasing another car with that money.

I've reviewed the statements Mr M provided from 2021 and 2022, and I consider they show mainly smaller cash withdrawals of £250 and below, with evidence of two larger cash withdrawals in around October 2022. And all the relevant withdrawals were made more than a year before Mr M said he purchased the vehicle. I don't consider Mr M's suggestion that he kept the cash at home for so long, with the intention of purchasing a car for £24,150 in cash, from a private individual, with only one key, persuasive in the circumstances. And I don't consider the handwritten receipt he provided, without any details of the seller, to be persuasive in the circumstances either. So I think Sabre acted reasonably in saying Mr M hadn't sufficiently demonstrated he'd purchased the car as he'd claimed. And I think Sabre had fair and valid concerns about Mr M's claim in light of this.

In addition to the above, Sabre provided evidence to show the vehicle in question hadn't been insured since October 2020. Given this suggests the car remained uninsured, and likely unused, for a period of over three years, prior to Mr M's alleged purchase, I think it was fair for Sabre to question the validity of Mr M's claim that he'd purchased the car in cash for £24,150 in January 2024, and that it was subsequently stolen in March 2024.

Mr M said he arranged for an MOT to be carried out in February 2024. It is agreed by all parties this MOT took place at a location over 200 miles away from Mr M's home address, where the vehicle was insured. Mr M says he used a mobile mechanic who drove his vehicle to the distant location, as they had other work there and drove Mr M's vehicle there to check for any issues.

I don't consider this explanation to be persuasive in the circumstances, but importantly, Sabre has provided evidence of an ANPR report for the period prior to, during, and following the date of the MOT. And this shows there were no hits for Mr M's vehicle registration. If it were the case that Mr M's vehicle was driven from around his home location to the location of the MOT, I think it's more likely than not that there would've been a record on the ANPR report of the vehicle around that time. And because there wasn't, I consider it more likely than not that the journey, as alleged by Mr M, didn't take place.

Mr M also provided evidence of an SMS and associated phone number, which he alleged belonged to the mobile mechanic. But Sabre has provided evidence to show this contact number isn't traced to the individual Mr M alleged, but rather, to individuals with the same surname as Mr M, and from the same locality as his home address. I think this discrepancy, along with the above, reasonably brings into question the validity of whether Mr M purchased the car as he claimed, and whether he suffered the loss he claimed when he contacted Sabre.

The cover under Mr M's policy started in April 2024. And Mr M said the vehicle was driven once or twice per week. But Sabre has also provided an ANPR report showing there were no hits for Mr M's vehicle registration between April and June 2024, covering the period of insurance cover, up to and following the date of the alleged theft. And if Mr M had indeed purchased and driven the car as claimed, given his home location, I think it's more likely than not that there would've been record on the ANPR report of the vehicle registration at the

time. And because there wasn't, I consider it more likely than not that Mr M didn't purchase and drive the car as he claimed.

In addition to the above, Sabre has also provided evidence to show between April 2023 and April 2024, Mr M obtained over 200 different quotes, for different vehicles. This included quotes for three other vehicle registrations between March and April 2024, despite Mr M having allegedly purchased the insured vehicle in January 2024 and intending to use and insure it once he'd sold his existing vehicle. Because I consider the quote evidence to be inconsistent with Mr M's statements about the purchase of the insured car and his intended use, I think it's fair for Sabre to rely on this to question Mr M's account of the alleged purchase and loss.

For the reasons outlined above, I consider Sabre had fair and valid concerns about Mr M's claim. As outlined above, I think there were a number of inconsistencies in the accounts given by Mr M, which Sabre fairly deemed to be false. And for this reason, I think Sabre had reasonable grounds to conclude Mr M made a claim, or statements in connection with a claim, that he knew to be fraudulent. It follows that in the circumstances, I think it was fair for Sabre to rely on the policy fraud condition to decline the claim and cancel the policy."

Mr M didn't agree. He said the vehicle had custom, spaced, registration plates that may not have been caught on ANPR. He said he'd already explained the cash withdrawals and the mobile mechanic may have used or given him someone else's number.

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.

Mr M said the vehicle had "*spaced plates with ink gel index numbers*". He's said this may be why it was not caught or recognised on ANPR. But I consider a vehicle would be unlikely to pass its MOT if its registration plate doesn't meet the specified requirements, including spacing. And given the vehicle did pass its MOT in February 2024, I'm not persuaded it was likely the case the vehicle had registration plates that couldn't be recognised by ANPR technology.

In reaching my provisional decision, I'd already reviewed Mr M's explanation about the cash withdrawals. And I've not seen any further evidence to persuade me it was not reasonable for Sabre to say Mr M hadn't sufficiently demonstrated he'd purchased the vehicle as he'd claimed.

I also don't find Mr M's comments about the mobile mechanic's mobile phone number persuasive. So I still think this discrepancy, along with the other points I covered, reasonably brings into question the validity of whether Mr M purchased the car as he claimed, and whether he suffered the loss he claimed when he contacted Sabre.

For the reasons outlined above, having reviewed the further comments from Mr M, I've come to the same conclusions I outlined in my provisional decision. So, I still think it was fair for Sabre to rely on the policy fraud condition to decline the claim and cancel the policy.

My final decision

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 M to accept or reject my decision before 11 July 2025.

Monjur Alam
Ombudsman