

The complaint

Mr B has complained about how Watford Insurance Company Europe Limited declined a claim he made on his motor insurance policy.

What happened

Mr B was involved in an accident with a third-party vehicle in February 2025. After reviewing the claim, Watford declined it in June 2025 – saying the claim wasn't accepted due to fraud.

Mr B complained about this to Watford. And Watford issued a final response letter in July 2025 not upholding the complaint. They said two engineers had confirmed the damage on the vehicles isn't consistent with what happened or each other.

Mr B wasn't happy with this and referred the complaint to our Service. He said he wants Watford to reassess the claim fairly based on the actual circumstances of the accident and damage sustained.

Our Investigator looked into what happened but didn't uphold the complaint, saying that it was fair to rely on the fraud term in the policy to decline the claim, recover costs, and cancel the policy.

Mr B disagreed. He was concerned no in-person examination was carried out by Watford and that they solely relied on the photographs to make their decision. The complaint couldn't be resolved, so it has come to me 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.

Having done so, I'm not upholding this complaint for similar reasons to the Investigator.

As ours is an informal service, I'm not going to respond to every point or piece of evidence Mr B and Watford sent us. Instead, I've focused on what I consider to be key or central to the complaint. But I'd like to reassure both that I have considered everything submitted.

I need to make clear it's not for this Service to decide whether a consumer has committed fraud. Our role is to assess whether an insurer has acted fairly and reasonably taking into consideration all the evidence available.

The relevant term in the policy says Mr B must not act in a fraudulent manner. And that if Mr B misleads Watford or makes a claim knowing it's false or fraudulently exaggerated in any respect, Watford won't pay the claim or any other claim which has been or will be made under the policy; may cancel the policy; will be entitled to recover from Mr B the amount of any claim already paid under the policy; and won't return the premiums.

So, if Watford had enough evidence to conclude that Mr B tried to mislead them, they'd be entitled to decline his claim, recover any claim costs from Mr B, and cancel the policy.

Watford told Mr B they declined the claim because they don't believe the damage is consistent with how Mr B says the incident occurred. They provided reports completed by an engineer, covering inspections of both cars. And then a comment by another engineer who supported the findings of the first. I'm satisfied the engineers who completed these reports are suitably qualified to give opinions on the nature and likely cause of the damage on the cars.

In summary, the first engineer concluded that the damage to the front section of Mr B's car wasn't consistent with the damage on the side of the third-party's car. And they said that on the assumption that both cars were in motion at the point of impact between them, the most striking inconsistency is the lack of any visible horizontal impact marking to either vehicle across their respective areas of damage.

The second engineer saw more images of the car, and they found further instances where the damage on Mr B's car wasn't consistent with the third-party's car. Among these were that there was a square profile in the centre of the dent on Mr B's car, and the third-party damage didn't match this.

Mr B insists the damage is from the accident. He said Watford had the car in their possession for many months and an in-person examination should have been done. And that this could have objectively established the compatibility of the damage. But desktop assessments aren't unusual. And the two engineers have independently come to the same conclusion about the damage being inconsistent based on the photographs of the damage. Without other evidence backing it up, I find Mr B's testimony less persuasive than the two engineers' opinions in the circumstances.

I'm satisfied that, on balance, Watford could rely on the reports from the engineers. And, based on them, I find it reasonable for Watford to conclude that Mr B's account of the incident was inconsistent with the evidence available of the damage. So, I'm satisfied that Watford has persuasive evidence which suggests the account given by Mr B isn't accurate.

It isn't clear from the evidence available whether Watford believes the incident was staged to make the claim, or whether a genuine incident was exaggerated to increase the possible settlement of the claim. But I don't think I need to comment on that. All Watford needs to do is show it's more likely than not that the claim was made in a fraudulent manner – and if Mr B exaggerated the damage, it would be enough to show this. And I think Watford could reasonably conclude either the incident was exaggerated or staged based on the evidence presented to them – which included the engineers' reports and the photographs showing the damage.

In the absence of any reasonable explanation for this, I think Watford fairly concluded that the claim was more likely than not false or fraudulent – and so they're entitled to rely on the fraud term to decline the claim and recover costs from Mr B. I understand Mr B will be disappointed by this, but it follows that I won't be directing Watford to reassess the claim or take any other action.

After the Investigator's view, Mr B said that further inspections of damage had been done showing more damage to the inside of his car. He hasn't sent evidence of those inspections. But he could provide any reports to Watford so they can make enquiries and consider whether this changes their decision regarding cover for the claim.

My final decision

For the reasons above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 14 January 2026.

Andrew Wakatsuki-Robinson
Ombudsman