

complaint

Mr A's complaint is about a claim he made on his landlord insurance in 2012. The policy was provided by Legal & General Insurance Limited. He is unhappy that the claim was turned down, that L&G decided it was fraudulent and that it registered the matter with the Credit Industry Fraud Avoidance System (CIFAS).

background

In 2012 Mr A made a claim for theft from a property he owns. The claim was due to a break-in, during which the central heating boiler was removed, along with radiators and pipework. Damage was caused to the kitchen and bathroom during the removal of the pipework. Kitchen appliances were also stolen.

L&G investigated the matter and concluded that the property was unoccupied at the time of the theft. It, therefore, didn't pay the claim, as if the property was unoccupied, theft cover wasn't active under the policy terms and conditions. In addition, because Mr A maintained that the property was occupied, it invoked the fraud clause. The policy was cancelled and the matter registered with CIFAS.

In 2017 Mr A had difficulty getting finance because of the CIFAS marker. He asked L&G to remove it. It declined to do so. Mr A wasn't happy and asked this service to consider his complaint.

my findings

I have considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

This complaint comes down to the question of whether the property owned by Mr A was occupied – lived in – at the time of the break-in. L&G has evidence that it wasn't. Mr A says it was. If the property wasn't lived in, there wouldn't be any cover for the theft. So if Mr A wasn't telling the truth, he would be attempting to obtain a benefit to which he wasn't entitled to – this is fraud.

From the documentation it appears that the property was registered as vacant for council tax purposes from the date Mr A bought it in March 2007 until a short time after the property was broken into. The council also confirmed that it had visited the property several times during Mr A's ownership and concluded that the property wasn't lived in. No-one registered on the electoral roll for the property either.

Neighbours gave witness statements that confirmed that whilst there had been people living in the property for around a year, they had left several months before the break-in. No-one had been seen coming and going from the property since the spring. This was supported by the minimal amount the gas supplier had charged for the summer period. The gas account was also in Mr A's name, rather than a tenant's.

The loss adjuster who assessed the claim for L&G said that the property didn't appear lived in. He had concerns about the adequacy of the facilities in the property, which would be supported by the tiny gas bill for the period. It appeared there were materials stored in the property for renovation purposes. In addition, there were security grills fitted over the ground

floor windows and the upper windows were boarded-up. A google maps search showed that the windows had been in this state for a number of years.

This is compelling evidence that the property was unoccupied; especially when supported by the crime report that also states that it was unoccupied.

In support of it being occupied Mr A has said that it was and explained who was living there. He has also said he has documentary evidence of the arrangements, including a tenancy agreement. However, that evidence hasn't been given to either L&G or this service. He has provided a group of witness statements from a person living at a house further down the street and two of their visitors. These statements weren't dated and two of them (one from the resident) weren't signed, just had a printed name at the bottom. Given this I can't place much weight on these documents.

Overall, given the weight of evidence saying that the property wasn't lived in at the time of the theft, I can't conclude that L&G was wrong to decline the claim on the basis it did. as I have explained above, if the property was unoccupied there wouldn't be a valid claim. Mr A saying that it was occupied, would be considered to be him attempting to obtain benefit from the policy to which he was not entitled. Trying to obtain benefit that you are not entitled to is insurance fraud. In the circumstances I don't think L&G acted inappropriately when registering the matter with CIFAS. I know that this will disappoint Mr A, but I can't in the circumstances ask L&G to remove that record.

my final decision

My final decision is that I don't uphold this complaint. Under the rules of the Financial Ombudsman Service, I am required to ask Mr A to accept or reject my decision before 1 March 2018.

Derry Baxter
ombudsman