

The complaint

Mr G has complained about the way Gresham Insurance Company Limited dealt with claims he made under a home insurance policy he shares jointly with Mrs G. Gresham applied its fraud exclusion and so refused to meet their claims for theft and accidental damage.

Mr G's son, also Mr G, is representing his father in his complaint. So for ease any reference in my decision to Mr G2 refers to Mr G's son as his representative.

Mr G2 says Gresham discriminated against his parents and they experienced racism during the handling of the claims by Gresham.

All reference to the insurer Gresham in my decision includes its agents.

What happened

Mr G2 says he set up a home insurance policy on behalf of his parents in April 2022 when they moved home. Mr G2 says that English isn't his parents' first language.

About six weeks later Mr G made three claims within a short period of time against the policy. The first for accidental damage to a TV, the second for two stolen mobile phones, and a third for accidental damage to another TV.

Gresham settled the first claim. But on receipt of the additional claims within such a short period of time, it arranged for an investigator to interview Mr G2 and his father to take an account of what happened when the mobile phones were stolen - and when the second TV was damaged.

Gresham found there were inconsistencies in the accounts and evidence provided by Mr G2 and his father to support the claims. Given its concerns, Gresham applied its fraud exclusion and cancelled the policy from the date the claim for the mobile phones was made in July 2022. This meant it wouldn't deal with this claim - or the claim for the second damaged TV.

Mr G2 complained to Gresham on behalf of his parents about its decision. But Gresham said it had acted correctly and in line with the policy. So Mr G2 asked us to look at the complaint. He said Gresham had refused to provide a copy of the statements used to reach its decision.

Our Investigator didn't recommend the complaint should be upheld. She explained that both Mr G2 and his father had signed each page of the witness statements they had provided when interviewed. We let Gresham know we would provide a copy of the statements to Mr G2 as they are key evidence in reaching our decision.

Mr G2 disagrees. He has reiterated that he and his parents provided Gresham with all of the information it asked for. He is unhappy with the way he says his parents were treated by Gresham and for the way it handled their complaint.

So the case has been passed 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.

Gresham can avoid or cancel a policy and refuse a claim if it believes a condition of the policy has been breached. In this case, Gresham say, based on the evidence it has, it's likely Mr and Mrs G did breach the fraud condition of the policy. I've checked the terms and conditions of the policy in relation to this, and they say:

8. Our rights

"We may cancel your policy or additional covers where there is a valid reason, for example where:

- you have not paid your premium when due. If you miss a payment, we will write to you giving a further date to pay. If we don't receive payment by then we will cancel the policy from the date shown on the letter;*
- we reasonably suspect fraud*
- you fail to co-operate with us or give us information or documentation we ask for, and this affects our ability to process a claim or defend our interests;*
- you have not given complete and accurate answers to the questions we ask*

Where we cancel, we will always give you at least 14 days' notice by post or email to the last address you have given us and tell you the reason why. The exception is where we have evidence that you have acted fraudulently or deliberately given us incorrect or incomplete information when we may cancel your policy without notice and backdate the cancellation to the date when this happened, which could be when you first bought your policy.

It isn't for us to decide whether a policyholder has acted fraudulently or not. Instead, I need to decide if Gresham acted reasonably on raising the fraud condition and taking the action it has.

So I've looked at what Gresham has taken into account, and whether I think this was fair.

I've seen a copy of the witness statements provided by Mr G2 and his father as to the accounts for the claims for two stolen mobile phones and accidental damage to a second TV.

Mr G2 provided a copy of the contract agreements for two new mobile phones which were purchased in his mother's name in April 2022.

Mr G2 says they decided to sell both phones and advertised both for sale on a social media platform.

I agree that there are a number of inconsistencies in the accounts given. Mr G said that the men looking to buy arrived at the home to buy two phones. He said his son, Mr G2, dealt with them and the transaction by bank transfer. Mr G2 was satisfied that the bank transfer had been successful and so allowed the men to leave with the phones. But as the money didn't reach the account, they realised they had been scammed.

Mr G2 stated that he arrived as the men were leaving - and that his father had dealt with the transaction. He said he didn't speak to the men. Mr G2 later changed his account to say that he arrived home and joined the conversation and agreed with the buyer to pay to his account by bank transfer.

Evidence has been provided to show communications between two parties on a social media platform for the sale of one mobile phone. Mr G2 hasn't provided evidence to show that two mobile phones were for sale.

In relation to the claim for a second damaged TV, Mr G2 stated that his father told him their dog had knocked into a TV that was propped against a wall in their living room which caused it to fall and break. Mr G stated that he wasn't in the room when the TV was damaged. He believed as the window was open it may have fallen over due to a draught.

Mr G2 has provided comments on the witness statements. In summary he says they don't reflect their words accurately.

It isn't for this service to dictate to an insurer on its own business process - but I find that Gresham treated Mr and Mrs G fairly and as it would any other customer in appointing an investigator to interview Mr G and Mr G2 as the parties involved in the claims.

Mr G2 says Gresham didn't properly address their grievances. This service cannot look at complaints handling in line with the rules set out by the Financial Conduct Authority. This is because it isn't a regulated activity.

I can see that an interpreter was provided for Mr G - and that Mr G and Mr G2 both signed each page of the witness statements they provided to confirm that the information was correct. So I can't say Gresham acted unreasonably in relying on the statements when making its decision.

Mr G2 says he feels Gresham has discriminated against his parents given the problems they've experienced. However, having looked at all the evidence I don't think Gresham has done so. Nor do I think Gresham has acted unfairly or unreasonably. I hope that it helps Mr G2 to know that someone impartial and independent has looked into their concerns.

Mr G2 says Gresham failed to make reasonable adjustments for Mr and Mrs G. In other words, has failed their duty to make reasonable adjustments under the Equality Act 2010.

I've taken the Equality Act 2010 into account when deciding this complaint – given that it's relevant law – but I've ultimately decided this complaint based on what's fair and reasonable. If Mr and Mrs G want a decision that Gresham has breached the Equality Act 2010, then they'd need to go to Court.

Mr G2 says his parents have a disability. I understand the interview took place at their home. And as I've said, I think Gresham treated Mr and Mrs G fairly in making a reasonable adjustment for Mr G by providing an interpreter.

As there were a number of inconsistencies and lack of evidence to support the claims - and putting all of its concerns together - I don't think it was unreasonable for Gresham to decide the fraud condition of the policy had been breached. And having reached that conclusion, I don't think Gresham acted unreasonably in deciding to cancel their policy and reject their claims.

If Mr and Mrs G believe Gresham has breached data protection rules, they can contact the Information Commissioner's Office (ICO) at <https://ico.org.uk/>

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 G to accept or reject my decision before 4 October 2023.

Geraldine Newbold
Ombudsman