

Was the damage caused by a theft, a bollard or a kerb?



A customer submits two claims, just two months apart, but can't quite seem to get his story straight. And why was the damage in the second claim identical to that caused in the first?



The first claim



When Mr A was woken by the Police and told that his car had been found abandoned and damaged on a roundabout, the first thing he did was look for his car keys. He told the Police that he must have lost them while he was out that night with his friends, and that someone must have found the keys and taken the car.

The damage

The car had damage to the passenger side front wheel area meaning it wasn't roadworthy. It was collected and taken to a local garage who took photographs of the damage. In addition, one of our own engineers inspected the car and took his own photographs, also recording the mileage. In the meantime, we applied for a Police report.



The police report

When we received the Police report, it was apparent that the matter had been filed as a traffic incident and not a theft. As a result, Mr A was told that the claim wouldn't be covered under the theft section of his policy. During the discussion Mr A decided to withdraw his claim.



The second claim



Two months later, Mr A called us again to tell us that he'd now been involved in an accident. He told us that he'd been driving his car at 30mph, hit a pot hole and then collided with a bollard which pushed the passenger side front wheel back.

When questioned about the incident, he wasn't able to tell us the name of the road where the accident happened, and when we asked about the damage he'd caused to the bollard he changed his story and said he'd actually a kerb.

At the time he reported the accident, he said his car was at a local garage. We asked him to send in pictures of the damage which we received shortly after.

As we had concerns, we looked a little closer at Mr A, the policy and claim history. We noted the previous unpaid 'theft' claim and were interested to see that the damage looked very similar, if not identical to that caused by the new accident claim. We therefore needed to understand what had happened following the first claim as we'd had no confirmation at all that Mr A had repaired the damage after we'd declined the first claim.

One thing we looked at with interest were the photos of the damage Mr A provided, particularly the properties of the images. It became immediately clear that they were taken on the date of the original 'theft' claim.

In addition to this our engineer inspected the vehicle and recorded damage to the passenger side front wheel area and confirmed that the vehicle could not have been driven since the first theft claim. The damage was exactly the same, and also the mileage was the same figure as when our engineer recorded it during his inspection following the original theft claim.

It was clear that the second incident was fabricated following our decision to decline the original claim and that the car had not been repaired or even driven since the first claim. He simply wanted the damage repaired and invented the second incident to fool us into repairing his car.

As a result, we reported the case to IFED on the basis of fraud. They accepted it and interviewed Mr A about the incidents. Initially Mr A made no comment, however a couple of weeks later admitted that he'd fabricated the second claim and was given a police caution.



Key learnings

Inconsistencies in the initial account of a claim are very telling. While some people may be mistaken or forgetful, the vast majority of people can easily and instantly recall the details of a minor accident.



Switching from “I hit a bollard” to “I hit the kerb” is a very significant change in the story and would warrant additional questioning.

If a customer calls to report a claim and displays significant inconsistencies in areas of their account that you would expect to be naturally recalled, it may be prudent to refer the claim to LV= for further investigation.

Back tracking and changing their story when asked to describe additional details is also an indicator that all may not be as it seems.

We never did get to the bottom of exactly how the damage originally occurred, but we suspect that the insured did the damage himself, possibly while drink or drug driving and then lied about the car being stolen through fear of not getting his claim paid or getting in trouble with the Police.



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