

## The complaint

Mr W has complained that Admiral Insurance (Gibraltar) Limited has declined his claim under his single trip travel insurance policy for fishing equipment.

## What happened

Mr W's car was broken into whilst he was on holiday and fishing equipment was stolen from it. He put in a claim under his policy. Admiral turned down his claim on the basis the policy didn't cover personal belongings left in an unattended motor vehicle unless they were covered in a locked and covered boot or locked luggage compartment. Mr W's fishing rod bag, with rods and reels in it, was partly in the boot and partly in the back passenger section of his car, with the back seats down, and the bag wasn't covered.

Mr W complained to Admiral, but they didn't alter their position on his claim. Although, they did offer him £50 in compensation for poor service. Mr W asked us to consider his complaint about Admiral turning down his claim. One of our investigator's did this. She said it should be upheld and Admiral should pay Mr W's claim, plus interest. This was because she thought the policy exclusion relating to the theft of personal belongings not being covered if left in a motor vehicle, unless in a locked and covered boot or locked luggage compartment was significant, and Admiral should have done more to draw it to Mr W's attention when he purchased the policy.

Mr W agreed with the investigator's view on his complaint. Admiral did not. They said that they didn't think the exclusion clause was significant and they provided evidence to support this view. They also thought they'd done enough to draw it to Mr W's attention when he bought the policy, as they made a copy of the full policy document available to him and he confirmed at the time he'd read it.

I issued a provisional decision on 8 February 2023, in which I set out what I'd provisionally decided as follows:

*Section 4 of Mr W's policy entitled 'Personal Belongings' covers these if they are lost, stolen or accidentally damaged during his trip. Personal Belongings are defined under the policy as: 'Luggage, its contents, valuables and anything you wear or carry with you when travelling, which belongs to you. This does not include winter sports equipment or golf equipment.'*

*Under this section there is the following exclusion:*

*'2. What is not covered*

*We will not pay any claim for:*

- *Unattended personal belongings.*
- *Valuables left in a motor vehicle'.*

*'Unattended' is defined as follows:*

*'Not in your full view, where you are not in a position to prevent your property being taken without your consent - unless it is locked safely in your personal accommodation, or in the secure area of a motor vehicle (locked and covered boot or locked luggage compartment).'*

*'Valuables' are defined as follows:*

*'Personal items of value which belong to you such as (my emphasis) cameras, camcorders, binoculars, telescopes, and accessories, audio visual and television equipment, spectacles and glasses, computers, tablets, gaming consoles, electronic book readers, satellite navigation equipment, mobile phones and accessories. Jewellery, watches, furs, and items made of or containing gold, silver, precious metals, precious or semi-precious stones.'*

*The rules under which Admiral operate required them to provide enough information to Mr W when he bought the policy to enable him to make an informed decision about it. I think this included highlighting unusual or significant limitations or exclusions in the policy. And they needed to include significant exclusions in the Insurance Product Information Document (IPID) they provided to Mr W when he bought the policy.*

*I appreciate our investigator said the exclusion relating to unattended personal belongings is significant and needed to be specifically drawn to Mr W's attention. But I don't think it is significant in a travel policy like this one. This is because it only relates to everyday items which are normally of fairly limited value on their own. And these items are covered if they are left concealed in the locked and covered boot or luggage compartment of a motor vehicle.*

*However, I do consider the exclusion relating to valuables not being covered under any circumstances if left in a motor vehicle is significant in a travel insurance policy. This is because if such items are not covered at all if they're left in a car, policyholders have limited options in certain circumstances. And they may consider these options riskier than leaving valuables in a locked motor vehicle. For example, if they are going to the beach, they may think it is better to leave them in the car than take them onto the beach. But the reality is they'd not be covered for theft if they were left in the car, but they would be on the beach provided they were not left unattended and they took reasonable care of them. Also, generally speaking, valuables are more attractive to thieves and worth more than normal personal belongings.*

*So, I think Admiral needed to highlight the exclusion relating to valuables in the IPID or in some other way as part of the sales process. They didn't do this, as far as I can tell; instead relying on the fact Mr W had ticked to say he'd read the policy document. It is – in my opinion - unrealistic to expect a customer to read a policy document of over 80 pages. I say this because – as I have said – the rules under which Admiral operate require them to provide sufficient information for the customer to be able to make an informed decision about the policy proposed. I don't think simply sending a policy document running to over 80 pages and expecting the customer to read it in full meets this obligation.*

*I've spoken to Mr W and he has told me that he viewed his fishing rods and reels as valuables. And that if he'd realised valuables weren't covered if he left them in his car, he would have taken his rod bag, with his rods and reels in it, out of his car and left it in his hotel room overnight. He's explained there were four rods and four reels in a bag and he could have removed this, along with the luggage he did take into the hotel, by making two trips from his car to the hotel and back. And I'm persuaded by Mr W's testimony on this.*

*I appreciate Admiral may not consider fishing rods and reels are valuables as defined by the policy. But I think this is arguable, bearing in mind the policy definition is wide and only lists examples, which include binoculars and spectacles, which I don't think most people would*

*necessarily see as valuable items or as particularly attractive to thieves. But, even if I were to accept the stolen items weren't valuables as defined by the policy, it wouldn't alter my view that if the abovementioned exclusion had been highlighted in the IPID or sales process Mr W is likely to have removed his fishing rod bag from the car. This is because he couldn't be expected to read right through the policy document to get the definition of valuables. And – even if he did – he may well have concluded his fishing rods were valuables.*

*This means I think Admiral failed to meet its obligations when selling and providing the policy to Mr W by failing to highlight the exclusion relating to valuables left in a motor vehicle. And I consider that this has prejudiced Mr W's position; in that it is most likely he wouldn't have lost his fishing rods and reels and rod bag, if Admiral had highlighted the exclusion. This is because I think, if they had, he'd most likely have removed his fishing rod bag from his car and it wouldn't have been stolen.*

*In view of this, I consider the fair and reasonable outcome to Mr W's complaint is for Admiral to settle his claim in accordance with the claim settlement terms in his policy. This outcome reflects the fact Mr W only expected to be covered for his fishing equipment in accordance with the policy terms.*

*I also intend to require Admiral to add interest to the amount due to Mr W at 8% per year simple from the date he paid out to replace his fishing gear to the date of actual payment. This is to compensate him for being without funds he should have had.*

I gave both parties until 22 February 2023 to provide further comments or evidence.

Mr W has replied to say he accepts my provisional decision. Admiral have replied and said they have no further comments or evidence to provide.

### **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.

As Mr W has accepted my provisional decision and Admiral have no further comments or evidence, I see no reason to depart from what I provisionally decided was the fair and reasonable outcome to Mr W's complaint.

### **Putting things right**

For the reasons set out in my provisional decision, I've decided to uphold Mr W's complaint and order Admiral to do the following:

- Settle Mr W's claim in accordance with the claim settlement terms in his policy.
- Pay interest on the amount due to Mr W at 8% per year simple from the date he paid out to replace his fishing equipment to the date of actual payment.

Admiral must tell Mr W if they have made a deduction for income tax from any interest they pay. And, if they have, how much they've taken off. They must also provide a tax deduction certificate for Mr W if asked to do so. This will allow Mr W to reclaim the tax from His Majesty's Revenue & Customs (HMRC) if appropriate.

### **My final decision**

My final decision is that I uphold Mr W's complaint and order Admiral Insurance (Gibraltar)

Limited to do what I've set out above in the 'Putting things right' section.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 23 March 2023.

Robert Short  
**Ombudsman**