

## **The complaint**

Ms C complains about how Admiral Insurance (Gibraltar) Limited (“Admiral”) declined a claim for the theft of her car under her motor insurance policy.

## **What happened**

Ms C had a motor insurance policy with Admiral.

Her car was stolen from outside her house in August 2022 and she made a claim from Admiral. She supplied two keys to Admiral as part of its claims procedure.

Admiral analysed the keys and declined her claim as it didn’t think one of the keys belonged to her car. Admiral thought Ms C had sent it a key from another vehicle to ‘pass it off’ as the correct key.

Ms C complained and Admiral didn’t respond within eight weeks.

She remained unhappy and brought her complaint to this service. She asks that Admiral pay her claim.

Admiral then responded and continued to decline her claim. It said it thought she was trying to pass off a key as being one from the car.

Our investigator looked into Ms C’s complaint and upheld it. He thought Admiral should settle the claim in line with the policy terms, plus interest at 8% simple. He also thought it should pay Ms C £150 compensation for the distress and inconvenience it caused her.

Ms C accepted the view. Admiral responded and provided more evidence. Our investigator said the evidence still didn’t mean that Admiral had fairly rejected the claim. Admiral again said it would provide more evidence, but didn’t supply it.

Because Admiral didn’t respond, this complaint has been passed to me to make a final decision.

## **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 upholding Ms C’s complaint.

Ms C bought the car second-hand and she said she received two keys for it. I can see from Admiral’s key report that they are visually very similar, but when analysed by Admiral’s forensic expert, one of the keys seems to be from a different vehicle and a different year.

It’s Admiral’s position that the second key could not have been used to start the car and so Ms C was supplying it with incorrect information in order to cover up the theft of her car, which it concludes was carried out using the real key.

When Ms C reported the claim she told Admiral she had the 'main key' but couldn't find the second one. She later found this 'spare key' and sent it to Admiral.

The key is an unusual type which fits into a slot on the vehicle. It also contains a key blade used when the vehicle systems aren't functioning. The key blade was matched to an identical lock barrel, but Admiral's forensic report says the key couldn't have been from the car as it was from a different year and type. It wasn't able to provide more information from the manufacturer despite this service's requests.

It's important that I say it's not my role to determine how the theft occurred. My role is to consider whether Admiral behaved fairly when investigating the claim and that its conclusions are supported by the evidence.

When Admiral use a policy condition to repudiate a claim it's essential that it provides evidence about this. In Ms C's case, Admiral has said it was using:

*"General Condition 9: Fraud and General Condition 3: Care of your vehicle.*

*We have denied the claim under General Condition 3, as any insured person must remove and secure any key or device that allows access to the vehicle, as well as leaving the car locked / secure.*

*We have added General Condition 9 due to a vehicle key being supplied to us that is not for the car. This is in attempt to cover up the fact the vehicle was left unsecure and taken with an original key."*

I've read Ms C's version of events. I find her evidence detailed and persuasive. She purchased her car from the manufacturer's main dealer and kept it for about three years. She seems to have a busy house. Her family used one key which was kept in a downstairs location, and the second was kept in a bedroom. She's mentioned about the area in which she lives unfortunately having a high rate of vehicle theft. She's had several cars made by the same manufacturer before.

In correspondence with Admiral, Ms C said that perhaps the second key was from one of her older vehicles. Admiral considered this point and said:

*"I can appreciate maybe there was a key mix up however she or someone known to her has gone to the trouble to cut and put a blade for this car into this fob, we believe this was done in order to pass this key off as one for this vehicle and so she would have known it wasn't for the vehicle, hence attempting to mislead us."*

My concern is that Admiral has made statements about Ms C's behaviour with the keys. It's then used those statements as evidence to reject her claim.

The statements have a basis in fact because of the forensic report, but to say "she or someone known to her... put a blade for this car into this fob" is, in my view, stretching that evidence into conjecture.

I don't think Admiral's approach here is fair and reasonable. I've said above that it's essential Admiral provide evidence for why it's rejecting a claim, and in this case I don't think it has.

Looking at the two general conditions it's used, I don't think it's reasonably shown that the car was taken using one of Ms C's keys, or that it was left unsecured.

And I don't think it's shown that Ms C tried to mislead it – her evidence is plausible and

reasonably supports the events of that night.

Ms C has been expressing her dissatisfaction with its procedures and explaining the impact of the delays so far on her and her family. I can see she's been caused distress and inconvenience by Admiral's handling of the claim.

I can see Ms C accepted the view that Admiral should now pay her claim, plus interest, and pay her £150 compensation. So I think that is what Admiral should do.

### **My final decision**

It's my final decision that I uphold this complaint.

I require Admiral Insurance (Gibraltar) Limited to:

- Settle Ms C's claim on the remaining policy terms. Interest at 8% simple should be added to this, from the date the claim was declined to the date payment is made.
- Pay Ms C £150 for her distress and inconvenience.

Admiral Insurance (Gibraltar) Limited must pay the amount within 28 days of the date on which we tell it Ms C accepts my final decision. If it pays later than this, it must also pay interest on the amount from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 27 October 2023.

Richard Sowden  
**Ombudsman**