

## **The complaint**

Mr S complains Accredited Insurance (Europe) Ltd (Accredited Insurance) unfairly declined to settle his claim on his motor insurance policy after his car was stolen.

Accredited Insurance are the underwriters of this policy i.e. the insurer. Part of this complaint concerns the actions of the intermediary. As Accredited Insurance have accepted it is accountable for the actions of the intermediary, in my decision, any reference to Accredited Insurance includes the actions of the intermediary.

## **What happened**

In September 2023 Mr S's car was stolen from the drive of his home address. He made a claim on his motor insurance policy.

The thieves used keys that had been left in the outside of the front door to start and steal the car.

Accredited Insurance said reasonable steps had not been taken to safeguard the car due to the fact that the keys to the car had been left in the front door on view to the public. It declined to settle his claim for the theft because it said he had failed to comply with the terms of his policy.

Because Mr S was not happy with Accredited Insurance, he brought the complaint to our service.

Our investigator upheld the complaint. They said Accredited Insurance had not shown that Mr S had been reckless in failing to protect the car from loss or damage and therefore they didn't consider it was fair of it to rely on the policy term regarding protection of the car to reject the claim. They said it should now deal with the claim subject to any other policy terms and conditions.

Because Accredited Insurance is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

## **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.

I looked at the term within the policy that Accredited Insurance relied upon to decline Mr S's claim. This was;

*"General Conditions, Section 4 Taking care of your car*

*You or any insured driver must take all reasonable steps to:*

*- Protect your car from loss or damage (this will include changing the locks to your car if the keys have been stolen);"*

Accredited Insurance declined Mr S's claim due to the fact keys had been left in the front door on view to the public. It said this was a failure to safeguard the vehicle and was, as a result, failure to comply with all the general policy conditions. It said it classed this as careless.

In this case to enable Accredited Insurance to rely on the general policy condition of *failure to protect the car from loss or damage* it needs to show the risk of the car being stolen was recognised.

When there is an allegation that an insured person failed to take reasonable care the test our service applies is one of recklessness. We look to see if the insured considered there was a risk involved in what they did and didn't take steps to prevent it.

I looked at the details of the actual incident and considered if Mr S was reckless and therefore it was fair for Accredited Insurance to decline the claim for the theft of the car.

On the day of the theft Mr S's wife, a named driver on the motor insurance policy, parked the car on the drive of their home address. She began to unload the car and made several trips between the car and the house. Whilst doing this she became distracted when she noticed her very young child climbing the stairs. Due to the need to ensure the safety of the child, she closed the front door and went to stop them. She mistakenly left the house and car keys in the front door.

Within less than 15 minutes the keys were removed from the front door by an unknown person and the car was stolen.

Accredited Insurance do not think being distracted by the young child is a valid reason to be careless and take a security risk by leaving the keys outside.

After consideration of the chain of events I am not persuaded that when Mrs S noticed her young child on the stairs she would have been thinking about the keys to her house and car, or a potential risk to the security of the car. I think it is more likely her reaction to sort out the safety of the child immediately would have been her only thought at this time. This means I do not think she was reckless.

It is not enough for Accredited Insurance to say it was careless. It needs to demonstrate she had been reckless not careless.

Therefore I do not think Accredited Insurance has proved Mrs S recognised the risk of the car being stolen whilst she was distracted by her child. And it should not be relying upon the term of *failure to safeguard the vehicle* to reject the claim on her policy.

Therefore, I uphold Mr S's complaint and require Accredited Insurance to settle his claim for the theft of his car subject to any remaining policy terms and conditions.

### **My final decision**

For the reasons I have given I uphold this complaint.

I require Accredited Insurance (Europe) Ltd to settle Mr S's claim for the theft of his car subject to any remaining policy terms and conditions.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 21 March 2024.

Sally-Ann Harding  
**Ombudsman**