

The complaint

Mr M is unhappy Admiral Insurance (Gibraltar) Limited (Admiral) have declined his claim and cancelled his motor insurance policy.

What happened

In April 2023 Mr M's vehicle was stolen and so he raised a claim with Admiral. Admiral investigated Mr M's claim but declined it and cancelled the policy. It said it believed Mr M's vehicle was stolen using a key. It said the garage who sold Mr M the car confirmed it had sold the car with two keys but Mr M said he only had one key. Admiral said Mr M had made a deliberate attempt to mislead it about the circumstances of the claim. It said this meant it was entitled to decline Mr M's claim and cancel his policy.

Mr M didn't think this was reasonable and so referred his complaint to this Service. Our investigator didn't uphold Mr M's complaint. He said he thought Admiral had fairly declined Mr M's claim based on the terms of the policy and the evidence it had gathered.

Mr M didn't agree with our investigator. He said there was no evidence that he had been provided two keys, and the vehicle could have been stolen in a variety of different ways. He also said the case against the party who stole his vehicle was proceeding to trial.

As Mr M didn't agree, the complaint 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.

I want to acknowledge that I've summarised Mr M's complaint in less detail than he has presented it. I've not commented on every point he has raised. Instead I have focussed on what I consider to be the key points I need to think about. I don't mean any discourtesy about this, but it simply reflects the informal nature of this service. I assure Mr M and Admiral I have considered everything that has been provided.

The role of this Service isn't to identify who is responsible for the theft of Mr M's vehicle, nor determine how this theft took place. The role of this Service is to consider whether Admiral have acted fairly and reasonably when they decided to decline Mr M's claim and cancel his policy.

Mr M's policy entitles Admiral to decline a claim and cancel a policy where it is satisfied there has been a breach of general conditions 3 and 9.

General condition 3 states:

'3. Care of your vehicle

You and any other insured person must:

- *Protect your vehicle from loss or damage*
- ...
- *Remove and secure any device that allows access to **your vehicle**; if it is left unoccupied.*

*Failure to comply with the above could affect the amount **you** are able to claim, result in the claim being refused and/or **your** policy being cancelled.*

If an incident happens, which is directly or indirectly caused or contributed to by any of the following:

- ...
- **Your vehicle** being left unlocked or unsecured.

*No cover under the policy will be given and instead **our** responsibility will be restricted to meeting the obligations as required by **Road Traffic Law.**'*

General Condition 9 states:

'Fraud and misrepresentation

You must always answer **our** questions honestly and provide true and accurate information. If **you** or any insured person or anyone acting on **your** behalf:

- *Provides **us** with false, exaggerated or misrepresented information*
- *Submits false, altered, forged or stolen documents.*

We will take one or more of the following actions:

- *Amend **your** policy to show the correct information and apply any change in premium*
- *Cancel **your** policy, under certain circumstances this may be with immediate effect*
- *Declare **your** policy void*
- *Refuse to pay **your** claim or only pay part of **your** claim*
- *Only pay a proportion of **your** claim*
- *Keep the premium **you** have paid*
- *Recover any costs incurred from **you** or any other insured person.*

*If **we** identify any fraud or misrepresentation, **we** will cancel or void any other EUI policies **you** are connected with.'*

Admiral have said the evidence supports Mr M's vehicle having been stolen with a key, and given Mr M told it he only had one key, Mr M had breached general condition 9, so it was entitled to decline Mr M's claim and cancel his policy.

Admiral have said Mr M told it to the best of his knowledge he only had one key for the

vehicle that was stolen. Mr M later said he cannot remember if he was given one or two keys when he bought the car, but that he had only used one key and doesn't remember ever having a second key.

Admiral arranged a key report from a locksmith. This report said in their experience, whilst the mechanical security element of most vehicles could be overcome by a thief with access to specialist tools, the electronic protection would still have to be defeated in order to steal the vehicle. It would require the key or a transponder chip which would need to be programmed onto the vehicle in order for the vehicle to be driven. Admiral provided evidence which showed there were two keys programmed to Mr M's vehicle..

Admiral spoke with the garage who sold Mr M's vehicle who told it the vehicle was sold to Mr M with two keys.

Admiral also had an engineer inspect Mr M's vehicle. The engineer has said in their report the door lock cylinder was intact and the ignition lock area was intact with no signs of damage. He has also said there was no signs of forced entry and keys would have been required to steal the vehicle or the vehicle was unlocked and set on fire.

Based on the evidence provided I can't say Admiral have reached an unreasonable conclusion when it has said Mr M's vehicle has been stolen using a key and that Mr M had breached general condition 9. Admiral have based its decision on reports provided by those specialised in their particular fields and the information provided by the garage which sold Mr M his vehicle.

Mr M has said there was CCTV of his vehicle being stolen which the police have, however I can't see Admiral ever requested this. I think it would have been good practice for Admiral to have requested this CCTV, however I don't think the evidence Admiral have obtained is impacted by the existence of CCTV. CCTV of the incident doesn't change the number of keys coded to Mr M's vehicle, or the outcome of the engineer or key report.

As Admiral were satisfied Mr M breached general condition 9, it was reasonably able to decline his claim and cancel his policy with immediate effect.

Mr M has provided evidence that an individual is being prosecuted for the theft of Mr M's vehicle. However this doesn't provide any further evidence about how Mr M's vehicle was stolen and so I can't say this means Admiral have reached an unreasonable outcome on Mr M's claim.

Having reviewed everything, I don't consider it'd be appropriate for me to interfere with admiral's decision to decline Mr M's claim and cancel his policy, or to require it to take any further action.

My final decision

For the reasons I've outline above I won't be upholding Mr M's complaint about Admiral Insurance (Gibraltar) Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 18 November 2024.

Andrew Clarke
Ombudsman