

The complaint

Mr L has complained about his car insurer Advantage Insurance Company Limited because it declined his claim for theft of his stolen vehicle.

What happened

Mr L was out with friends in a National Park. They parked in a layby, when they returned to their cars, Mr L's was missing. Mr L notified the police, advising he had the main car key and the spare had been in the glove box. Mr L made a claim to Advantage and, when it asked how many keys were provided when the car was brought, Mr L said "one", and sent this to Advantage for assessment.

Advantage considered the claim. It assessed the key Mr L provided. It spoke to the police. When Advantage spoke to the police, it became aware that Mr L had likely had a spare key which had been left in the car at the time of the theft. When this was put to Mr L he said that wasn't the case – he'd confirmed with his dad, after speaking to the police, that his dad had moved the spare key, which had since been lost in the home. Mr L said he'd told Advantage the car had only been sold to him with one key because he'd misunderstood the question – he thought he was being asked about how many keys he still had available to him.

Advantage wasn't prepared to accept Mr L's explanations, it felt he had provided incorrect information to it and declined the claim on the basis of a policy condition not to leave keys in the car.

Mr L felt this was unfair. He complained to the Financial Ombudsman Service, highlighting that Royal Mail had confirmed that the parcel containing the key, which had been sent to Advantage for assessment, had been lost.

Our Investigator felt that Mr L had been inconsistent during the claim. He felt the version given to the police was most likely to be correct. He noted the policy condition which says claims for theft are not covered unless keys are removed from the vehicle when its left unattended. Overall our investigator felt Advantage had made a fair and reasonable decision on the claim.

Mr L said he didn't believe his key had been received or assessed. Our Investigator shared the key report with Mr L. Mr L said he still didn't think his key had been assessed. He asked for an Ombudsman's 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.

I appreciate that Mr L has concerns over the key he sent to Advantage and which Royal Mail told him was not delivered. However, that key, and the report which I'm satisfied Advantage did do, aren't really pertinent to the claim outcome. I say that because Advantage has never

doubted that Mr L had a key in his possession, after the theft, which he had been using as the main key. The report didn't raise any concerns in that respect for Advantage. The problem Advantage had was that Mr L had changed his story about what keys he had and where they were, or specifically the location of the spare key, at the time of the theft.

Mr L has a duty to provide correct information to Advantage, if he doesn't that might affect any claim. The Advantage policy also removes cover for theft "unless" the policyholder does certain things. The 'certain thing' of note here is to remove all keys from the vehicle when it's unattended. Leaving a key in a vehicle won't necessarily make it more of a target for theft – but it would likely make it easier for a thief to drive the car away.

This term in the policy is effectively an exclusion to cover. It is up to Advantage to show it is justified in relying on it to decline the claim, including that if keys were likely left in the car, that was likely material to the loss.

I've considered then whether Advantage has fairly concluded that Mr L likely left a key in the car. I think it's fair to say that most people, in passing detail to the police, want to ensure that what they say is correct. Also that often the 'first utterance' made after a claim is likely to be the most reliable. I can understand then why Advantage thinks its most likely that what Mr L told the police – that the spare key was in the glovebox – was most likely correct. I've considered the explanations Mr L has given to Advantage about this and the other points of concern it had over what he said. I'm not persuaded any of that means Advantage's position is unfair or unreasonable. I'm satisfied it was fair of it to say both that Mr L likely gave it incorrect information and, most importantly, that Mr L most likely left a key in the car.

In terms of materiality, Advantage has said that cars parked, as Mr L's was, are often targeted by thieves. I think that makes sense – as cars are left for long periods with no-one around. I think it stands to reason that if a car which is targeted by thieves, has a key left in it, the presence of that key is going to make it more likely that the car is stolen. Advantage has satisfied me that the key likely being left in Mr L's car, as identified by it, was most likely material to it being stolen.

I appreciate that this will be disappointing for Mr L, however, I think Advantage has acted fairly and reasonably on this occasion. As such I'm not going to require it to change its position on the claim.

My final decision

I don't uphold this complaint. I don't make any award against Advantage Insurance Company Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 1 November 2024.

Fiona Robinson
Ombudsman