

The complaint

Miss D says Trinity Lane Insurance Company Limited wrongly declined a claim she made on her motor insurance policy after her car was stolen. Miss D is represented by Mr D.

What happened

Miss D was told by the police on 25 December 2023 that her car had been involved in a collision. It was badly damaged and had been abandoned by the driver. Miss D said she thought her son had taken the car without her consent. Subsequently, the police didn't charge anyone with an offence, and Trinity declined Miss D's claim. It said in order to indemnify her, it needed to see the prosecution or the conviction of a perpetrator. It said either Miss D hadn't helped the police, or the police weren't treating the incident as a theft.

One of our Investigators reviewed Miss D's complaint. He didn't think Trinity had relied on relevant policy terms to decline the claim. He noted there wasn't a term excluding cover for the loss of or damage to a car due to its theft by a family member. Nor was there a term that said a policy holder must assist the police to try to secure a conviction.

The Investigator noted that Trinity had referred to a policy term that said the claim wouldn't be covered if the car was left unattended and the last person in charge of it before the loss wasn't named as a driver on the certificate of insurance. He thought that meant the car's theft wouldn't be covered if anyone other than drivers insured on the policy stole the car. As the Investigator didn't think Trinity could reasonably decline the claim based on the policy's terms, he thought it should settle the claim and pay Miss D £300 compensation. He said she'd been without transport for months and Trinity hadn't considered her health conditions.

Trinity said although the policy terms didn't say it would only consider a theft claim if the policy holder assisted the police, it was reasonable for it to expect Miss D to co-operate with them. Otherwise, it didn't think she could show the car was taken without consent, which meant the claim didn't qualify as a theft claim. Trinity also said that it had tried to deal with the claim promptly, but Miss D hadn't co-operated, thereby causing delay.

As there was no agreement, the complaint was passed to me for review.

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.

Most motor insurance policies have a term that excludes cover for a car stolen by a family member – unless it can be shown that the policy holder assisted with the police's enquiries.

Trinity's policy doesn't have such an exclusion – nor any reference to the policy holder having to assist the police. Yet in its response to Miss D's complaint after it declined the claim, Trinity said in order to indemnify her, it would need to see a prosecution or a

conviction. It also said the claim wasn't covered as she wasn't assisting the police, *or* they weren't treating the incident as a theft. But I don't think Trinity can reasonably decline the claim based on the grounds it has stated, given that they aren't set out in the policy.

The policy's theft cover applies to any loss or damage caused by the theft of a vehicle. A policy exclusion says cover won't apply if a vehicle is left unattended and is stolen by the last person in charge of it before the loss or damage happened, if that person isn't shown on the certificate of insurance as allowed to drive it. The impact of that appears to be that very few thefts would be covered by the policy. Vehicles aren't generally stolen by people who are insured to drive them. The Investigator referred to this term in his view, and as Trinity didn't comment on it or clarify it, I can only assume my understanding of it is correct. Regardless of whether a stranger or Miss D's son took the car, they weren't insured to drive it, as only she was named on the policy. But I don't think it would be fair for Trinity to rely on this term.

There are many reasons why the police may have decided not to charge anyone with the car's theft. It doesn't mean they decided the car wasn't stolen or taken without consent. It seems Miss D thinks her son took the car, and she told the police that was the case on 25 December 2023. But my understanding is that there's no proof. Mr D told us the police didn't contact Miss D again after the night of the incident. At that point, she would have been distressed and in shock due to the theft. The police report doesn't show any attempts to contact her again. There's just a comment on it the next day to say she wasn't 'supporting'. Nor is there anything to show that the police made any other enquiries at all, despite having the details of a potential suspect to pursue as a first step.

I don't think the inaction by the police is a valid reason to decline the claim. I think they could have investigated further without Miss D's further input. In my opinion, as Miss D's claim doesn't fall within a relevant policy exclusion either, Trinity should now settle it promptly.

In terms of compensation, Miss D cancelled appointments with Trinity's investigator and there were gaps in her contacting Trinity. But given her poor state of physical and mental health, and her hospital admissions during the relevant period, I think that was largely unavoidable. Miss D notified Trinity in January 2024 about her ill health, and its investigator was made aware of it at the start of February 2024. I think waiting for Miss D's recovery in the hope of getting a statement from her (when it always seemed she'd have very little to add) lengthened the investigation time considerably.

Miss D was caused worry and upset by the pressure of the ongoing claim, which only added to her existing ill health. We think a business should always consider a consumer's personal circumstances and decide whether to change its approach in order to treat them fairly. In this case I don't think Trinity fully appreciated the impact of the prolonged process on Miss D. Nor did it review the basis on which it was declining the claim, as far as I can see. In the circumstances, I don't think it would be unreasonable for it to pay her £300 compensation.

My final decision

My final decision is that I uphold this complaint. I require Trinity Lane Insurance Company Limited to do the following:

- Settle Miss D's claim promptly, in line with the policy's terms and conditions
- Pay Miss D £300 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D to accept or reject my decision before 20 March 2025.

Susan Ewins

Ombudsman