

The complaint

Mr L complains about Admiral Insurance (Gibraltar) Limited's decision to decline a claim under his car insurance policy.

What happened

Mr L had a car insurance policy with Admiral. In July 2023, his car was stolen from outside his house and he made a claim with Admiral.

Mr L told Admiral he was given only one key for the car when he purchased the car and he was still in possession of that key. Mr L sent this key to Admiral.

After inspecting the key in August 2023, Admiral concluded it was a spare key, and not the main car key. Mr L then told Admiral the main key was likely stolen over night from the house. He said he was unaware there were two keys, or that he'd sent in the spare key.

Admiral declined Mr L's claim and Mr L complained about Admiral's decision.

Admiral issued a complaint response in July 2024. It said it was not plausible Mr L was using both keys and was not aware of there being two. It said it was clear the main car key was used to facilitate the theft. It said Mr L fabricated a version of events to cover the fact that he left the main key inside the car. It maintained its decision to decline the claim.

Mr L referred his complaint to the Financial Ombudsman Service. He said it was only after Admiral's inspection of the key that his brother, who'd sold him the car, confirmed there were two keys and the spare was kept at Mr L's parents' house, where Mr L lived. Mr L said he thinks thieves entered the back door of the property at night and took the main car key off the kitchen top where Mr L had left it. Mr L maintained he'd sent in the spare key thinking it was the main key.

The Investigator didn't uphold the complaint. They said it was reasonable for Admiral to conclude in the circumstances, the main key was left in the car and used in the theft. So they said Admiral's decision to decline the claim was fair and reasonable.

Mr L didn't agree. He said it was more likely the key was stolen from inside the house than it being left in the car.

Because the complaint couldn't be resolved, it's 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 have a fair degree of sympathy for Mr L as his car was clearly stolen on the date in question. It isn't my role to determine Mr L's car insurance claim. My role is to look at whether Admiral acted reasonably when it declined the claim and I think it has. I'll explain why.

The terms and conditions of Mr L's policy say he will be covered for loss of the car caused by theft. But the terms also say Mr L will not be covered if he doesn't remove and secure any keys that allow access to the car when the car is left unoccupied.

Admiral doesn't dispute that Mr L's car was stolen. However, it said it will not pay the claim because it believes the car key was left inside the car, allowing the theft to occur.

Mr L initially told Admiral only one key was provided at the time of the purchase, and he was in possession of this key.

But after Mr L provided this key, Admiral carried out inspections of the key. This showed that the key Mr L provided was last used on 14 March 2023, when the car had a mileage of around 115,600. And Admiral confirmed with the car manufacturer that the mileage on the car the last time a key reading was done was around 119,700. Admiral therefore concluded the key Mr L provided was a spare key. And having reviewed the evidence, I think Admiral reached a reasonable conclusion.

Mr L says it was at this point he spoke to his brother, who he bought the car from, and it was confirmed there were two keys, and the spare was kept at Mr L's parents' house, where he lived. Mr L accepts he therefore sent in the spare key, but he's said after the theft, his mother gave him the key and he assumed it was the main (and only) key at that time. He's said there are other people in the household capable of driving the car.

Admiral said it was unlikely that after all this time Mr L didn't know he had two keys. I think Admiral's conclusion here is reasonable. I say this because the evidence shows the spare key was last used in March 2023. Mr L's motor proposal confirmation states he purchased the car in October 2022. Given that Mr L said he only used the main key, I think it's more likely than not that he'd have been aware there was a spare key, if it was being used by others in his household, up to March 2023.

Both parties accept the main key was likely used to carry out the theft. I think this was likely the case too, given that Mr L no longer has possession of it. So overall, I think Admiral acted reasonably in concluding Mr L changed the version of events to cover the fact that the main key was used in carrying out the theft.

Mr L says the main key was likely stolen from inside the house, immediately prior to the theft, but I can't see this was reported to Admiral when Mr L made the claim. And I've not seen any other evidence to persuade me the property was entered into by thieves prior to the theft of the car. Given the above, and despite my natural sympathy for the position Mr L has found himself in, it would appear, on balance, that the main key was most likely used to steal the car and it seems most likely the main key was left in the car. It follows that I don't consider Admiral acted unreasonably in concluding Mr L left the main key inside the car, and that this allowed for the theft to take place.

And because the policy doesn't cover loss caused by theft, where keys aren't removed from the car when it is left unoccupied, I don't think Admiral acted unfairly in declining Mr L's claim. So I won't direct it to do anything else.

My final decision

My final decision is that I don't uphold this complaint.

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

Monjur Alam
Ombudsman