

The complaint

Mr S is unhappy that Admiral Insurance (Gibraltar) Limited (Admiral) declined a theft claim he made under his car insurance policy.

What happened

Mr S held a car insurance policy with Admiral.

In July 2023 Mr S's car was stolen. So, he contacted Admiral to make a claim on the policy. During its consideration of the claim, Mr S told Admiral he had two sets of car keys, and it asked him to send them to it for an inspection. Admiral reviewed the keys, and it said one of the sets didn't belong to his car. Admiral said Mr S had provided false and misleading information in support of his claim, and referred to a section of the policy that allowed it to decline the claim and cancel the policy along with retaining the premiums he paid.

Mr S complained to Admiral. He maintained the car keys he sent it were his. He said Admiral must have mixed-up the keys in error with a different set when assessing the claim.

Our Investigator considered the complaint but didn't think it should be upheld. He said he didn't think Admiral had acted unreasonably in declining the claim and cancelling the policy. Mr S disagreed and asked for an Ombudsman's final 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'd like to reassure the parties that although I've only summarised the background to this complaint, so not everything that has happened or been argued is set out above, I've read and considered everything that has been provided.

Along with Admiral's claims decision, Mr S is also unhappy with the overall level of service he received from Admiral, including delays and poor communication. This aspect of the complaint has already been considered by this Service, so I won't comment on it here. Instead, my decision will focus on whether Admiral acted fairly and reasonably when it cancelled Mr S's policy and declined the claim.

The relevant rules and industry guidance explain Admiral shouldn't unreasonably reject a claim.

The role of this Service isn't to identify who is responsible for the theft of a car, nor determine how the theft took place. The role of this Service is to consider whether Admiral have acted reasonably when it decided it wouldn't settle the claim and cancelled the policy.

In Mr S's policy, it explains it doesn't cover loss or damage caused by theft unless, amongst other things, all doors are locked and the car is secure. This is a common exclusion in virtually all motor policies and I don't find it unusual or unfair. And to ensure a customer

complies with the policy, it's not uncommon for an insurer to request copies of the keys following a theft claim to satisfy it the car was secure at the point the theft occurred. So, I don't think it was unreasonable for Admiral to request Mr S's car keys as part of its claim consideration.

Admiral says one of the sets of keys Mr S provided was for the same make vehicle but that of a different model. But Mr S disagrees and says he sent the correct keys for the car. And he denies providing a different set of keys than his own. Admiral sent Mr S's keys to a forensic specialist for consideration. I've carefully considered its report, which says (for key one) *"the key has... transponder chip incorporated in the head of the key which is **NOT** consistent with the transponder specification for this range of vehicles between 2012 & 2016... This remote key could not be used to operate the vehicle whose details are listed above. The remote is for a much earlier vehicle"* And although the second key was found to be genuine, the data couldn't be extracted due to battery failure in the remote. However, an earlier examination of the second key showed it was last used in April 2023, sometime before Mr S's car was stolen.

The forensic examination report also said *"In our experience, even though the mechanical security element of most vehicles could be overcome by a thief with access to specialist automotive lock picking tools and the knowledge of how to use them, the electronic protection would still have to be defeated in order to steal the vehicle and 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."*

So, based on the forensic specialist's findings, who I consider to be suitably qualified to give such opinion, and in the absence of any opposing comments from a similarly qualified expert, I'm satisfied, on balance, one of the sets of keys Mr S sent Admiral wasn't for his car, which means one of the genuine sets of keys hasn't been sent to Admiral.

And as the second set seems not to have been used for some time before the theft, I find it unlikely this was the key Mr S used just before the car was stolen. Mr S also confirmed there was no debris or evidence of forced entry in the area the car was stolen from. Given a key was likely needed to steal the car, I think it's more likely than not that the set of keys unaccounted for were used in the theft. And the car was unsecure at the time. As such, I don't think Admiral acted unreasonably when it declined the claim.

Mr S says Admiral must have mixed up the keys with a different set when it sent them to the specialist for examination. And he spoke with the car's manufacturing dealership to identify which car the other set belonged to. The dealership was able to provide the Vehicle Identification Number (VIN) which was passed to Admiral for consideration. Admiral has confirmed the car the other set of keys belonged to was disposed of in 2020, following a claim with a separate insurer. Admiral also confirms it has never insured the car in question.

I appreciate Mr S feels strongly that Admiral mixed-up the keys he sent with another set, but I'm not persuaded that's the case. As Admiral never insured the car the keys belonged to, I see no compelling reason as to why they'd have these keys. I've also seen Admiral's notes of how the keys were recorded once they received them, which is supported by photographs. I'm satisfied the key's Mr S sent Admiral were correctly recorded and logged against his claim. As such, I don't think Admiral mixed up or inspected different keys to the ones Mr S sent it.

Mr S's policy terms explain Admiral can cancel the policy and retain the premiums if a customer provides misleading information to substantiate a claim. Admiral doesn't think the way Mr S reported the incident happened in the way he said it did. And it says his actions to provide it with a different set of keys to his own was misleading.

Mr S hasn't provided any other possible reason as to how or why he sent in a different set of keys. As I'm satisfied, on balance, the keys are for a different car to the one Mr S owned, and as I don't think Admiral made an error or mixed up the keys when it sent them to the forensic examiner, I don't consider Admiral's actions to cancel Mr S's policy unreasonable. In the circumstances I don't think it's appropriate for me to interfere with the decision Admiral has made when cancelling the policy. So, I'm not directing it to do anything differently.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 28 March 2025.

Adam Travers
Ombudsman