

## **The complaint**

Miss W complains that Admiral Insurance (Gibraltar) Limited declined her claim on her motor insurance policy following the theft of her car.

## **What happened**

Miss W's car was stolen and later recovered by the police damaged and with parts removed. But Admiral declined to deal with the claim as it thought the car had been stolen using one of the car's keys that had been left in an accessible location. Miss W said she had lost one of the keys years ago. She later recalled this was when she lived at a different address.

But Admiral confirmed that only two keys were programmed to the car, and one must have been used to gain entry and start the car. Miss W thought her car may have been uplifted. But Admiral thought this was unlikely as it was found damaged and in the same town.

Miss W was also unhappy that Admiral took so long to decline the claim. But Admiral said it had been waiting for a police report to check for any CCTV footage.

### *our investigator's view*

Our Investigator recommended that the complaint should be upheld in part. She thought Admiral had reasonably declined the claim. But she thought it had caused seven months' delay in deciding the claim when the police report couldn't be opened, and it didn't try and obtain this in another format. She thought Admiral should pay Miss W £300 compensation for the trouble and upset this delay had caused.

Miss W replied that she disagreed and reiterated that she only had one key and she had provided that to Admiral. She said the recommended compensation wouldn't cover the recovery and storage of the car.

Admiral replied that it had requested and obtained the police report in a different format, and this didn't contain information to change its decision to repudiate the claim. It said it wasn't responsible for the police's delay in providing the report. As neither parties agreed, the complaint came to me for a final decision.

### *my provisional decision*

After considering all the evidence, I issued a provisional decision on this complaint to Miss W and to Admiral on 27 January 2025. I summarise my findings:

I could understand that this has been a frustrating and stressful experience for Miss W at a difficult time. She has explained the difficulties she experienced without a car and that she had to borrow money to replace it. I was sorry to hear about the trouble and upset she has experienced.

Admiral rejected Miss W's claim because it said she had only one key and there was evidence the car had been taken using an original key. It relied on an independent engineer's report on the car that said there was no sign of forced entry and no sign of electrical tampering to start the car. Miss W wanted this confirmed by another engineer. But I hadn't seen any evidence to show that it was unreasonable for Admiral to rely on the independent engineer's report.

Admiral said the car needed to be opened and started with a key. And because there no signs of forced entry, such as broken windows, or electrical tampering, such as to the ignition, it concluded that one of the car's keys must have been used to open and start it.

Admiral also checked the car's electrical control unit (ECU) and found that only two keys had been coded to the car. So a third key couldn't have been used to steal it.

Miss W thought her car could have been reprogrammed or uplifted. But the ECU didn't show that it had been reprogrammed. And I thought Admiral reasonably concluded that it was unlikely the car had been uplifted as this wouldn't then explain how the car had been damaged or why it was later found in the same town.

So I was satisfied that it was reasonable for Admiral to conclude that the car must have been taken using one of the car's keys. It thought one of the car's keys must have been accessible to the thieves. And so it relied on the policy's terms and conditions to decline the claim and cancel Miss W's policy. I couldn't say this was unfair or unreasonable.

Miss W was unhappy that Admiral caused delays in deciding to repudiate her claim. I couldn't consider here delays in the early handling of the claim as Miss W brought this to us too late.

Admiral said it wasn't responsible for the delays as it was waiting for the police report. I could see that Admiral requested a copy of the police report shortly after Miss W raised her claim. It hadn't received a response six months later, and so it asked for it again. And after another two weeks it made a further request. I agreed that Admiral wasn't responsible for the police's delays in providing the report. And I thought it reasonably chased this after waiting for six months, which I thought wasn't an unusual time to wait.

Admiral received the report three months later, but it couldn't be opened due to the format. Six weeks later, it requested the report in a different format. A readable report was provided a month later.

I thought Admiral could have requested the report in a different format immediately when it was unable to open it. But I could see that it was awaiting advice from its IT specialists. So I didn't think the six weeks' delay was unreasonable for it get this advice and request a different format.

Admiral said it had already repudiated the claim and had confirmed this to Miss W by this stage. It said the report didn't provide any evidence to change its decision. And I could see that the report simply repeated Miss W's notification of the car's theft. It didn't provide any new evidence for Admiral to consider.

But I couldn't say that this was Admiral's fault as it had requested the report at the start of the claim. It had already confirmed that the claim was repudiated based on the evidence it had. And it sought the report in another format to address Miss W's concern that the police may have had CCTV footage.

I could see that Miss W was chasing Admiral for updates during this time. And I understood that this was a difficult time for her. But I couldn't say that Admiral was responsible for the delays in the police providing the report in a readable format. So I didn't think Admiral needed to pay Miss W any compensation for this.

However, from Admiral's notes, Miss W wanted a copy of the police report to check whether it had found CCTV footage that would show the theft. She had been told about the report being provided in an unreadable format. But Admiral didn't then tell her that it had received a readable version or provide her with a copy until after the complaint came to us, some three months after Admiral had received it. This was despite Miss W making a request for her data after Admiral had received the report.

I couldn't say that the report made any difference to the claim outcome. But I thought Admiral caused Miss W avoidable stress and worry for three months when it didn't tell her it

had received the report or provided her with a copy. Miss W had made it clear that this was a difficult time for her personally and I thought this trouble and upset could have been avoided.

Our Investigator recommended that Admiral should pay Miss W £300 compensation for the impact of the delays. I thought that reflected the significant worry and upset this caused to Miss W in keeping with our published guidance. So I thought that was fair and reasonable.

Subject to any further representations from Mr W and Admiral, my provisional decision was that I intended to uphold this complaint in part. I intended to require Admiral Insurance (Gibraltar) Limited to pay Miss W £300 compensation for the distress and inconvenience caused by its handling of her claim.

### **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.

Admiral replied that it didn't think compensation was warranted for the same reasons it had earlier provided. As I've explained above, Admiral said it wasn't responsible for the delays in the police providing its report, that this didn't change the outcome in any case and that it had already confirmed to Miss W that its decision remained unchanged. And I don't disagree with this.

But Admiral hasn't considered the effect on Miss W of its not then providing her with the readable copy of the police report for three months. And I'm satisfied that £300 compensation for the significant impact this delay had on Miss W at a difficult personal time, which she had told Admiral about, is in keeping with our published guidance. And so I remain of the opinion that this is fair and reasonable.

Miss W replied that she thought she had been treated unfairly as she thought her claim had been invalidated because she didn't have two keys. But I don't think this is an accurate reflection of Admiral's decision. It decided to repudiate the claim because one of the car's original keys must have been used to steal it. And so it thought the second key must have been accessible to the thief, which is a breach of the policy's terms and conditions.

Miss W also said she was still incurring storage charges for her car, and she wanted these waived. But we expect consumers to reasonably mitigate their losses. And I think Miss W could have removed her car from storage when her claim was first repudiated. But she didn't do this and asked Admiral not to dispose of her car as it had offered to do. So I can't reasonably require Admiral to now waive the recovery and storage charges. If Miss W thinks the amount she is being asked to pay is unfair, then she can complain to Admiral about this.

### **Putting things right**

I require Admiral Insurance (Gibraltar) Limited to pay Miss W £300 compensation for the distress and inconvenience caused by its handling of her claim.

### **My final decision**

For the reasons given above, my final decision is that I uphold this complaint in part. I require Admiral Insurance (Gibraltar) Limited to carry out the redress set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 14 March 2025.

Phillip Berechree

**Ombudsman**