

The complaint

Mrs S complains that Admiral Insurance (Gibraltar) Limited ('Admiral') unfairly declined a claim she made under her home insurance policy.

What happened

Mrs S held a motor insurance policy underwritten by Admiral. She contacted them in April 2024 to report a theft claim. Admiral considered the claim but declined to cover it. They said the key data they scanned showed the car had been used while Mrs S was away on holiday. They concluded that there had been a deliberate attempt to mislead them over the circumstances surrounding the theft.

Mrs S was unhappy with Admiral's decline of the claim, so she raised a complaint. She said that there was no fair way of confirming the time and dates recorded on the key were accurate and it was a common fault with BMW's that the time and date was often not correct. And she said she had provided a time and date stamped log which she said showed when her home alarm was set, and nobody had been into her property while she was away on holiday with her family.

Admiral considered the complaint but didn't change their decision. They said they believed one of the keys Mrs S had sent in for testing was used to take the vehicle – and as this key then came back into her possession, they didn't believe Mrs S had been honest over the circumstances of the claim. Mrs S remained unhappy with Admiral's response to her complaint – so, she brought it to this Service.

An Investigator looked at what had happened but didn't recommend the complaint should be upheld. She said based on the available evidence, she thought it was reasonable for Admiral to conclude a key had been used to take the vehicle. And as such, she said Admiral had reached a reasonable decision based on the evidence that was available to them at the time.

Mrs R responded to the Investigator's findings to say she didn't agree. Her main points were:

- Both keys had recorded all journeys until 8 April 2024 but then this had changed with only the second key recording a trip on 11 April 2024.
- The expert report had said it wasn't impossible for the signal of a key to be cloned with sophisticated equipment.
- There had been a significant spike in local vehicle thefts.
- She had taken and passed a lie detector test which said no further action was to be taken and the claim should proceed.
- She felt it was unfair to conclude the information provided was not accurate when there were multiple points to support the theft of the vehicle had happened and only one to suggest the claim should not be upheld.

Mrs S asked for an Ombudsman to consider the complaint – so, 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.

Having done so, I've reached the same overall conclusion as the Investigator and I'm not upholding this complaint. I appreciate this will be disappointing to Mrs S – so I'll explain why. I have carefully considered all points raised by both parties, but I do not consider it necessary to specifically reference them in reaching my decision. Where I don't comment on every point made by the parties, that's not to say I haven't seen or considered them. Finally, when considering what's fair and reasonable in the circumstances of the complaint, I've taken into account the relevant regulations, regulator's rules, guidance and standards and codes of practice.

The main issue in this case is whether Admiral acted fairly by declining to cover Mrs S's theft claim. The relevant rules and industry guidance say that Admiral have a responsibility to handle claims promptly and fairly, and they shouldn't reject a claim unreasonably. Admiral have said they've been unable to validate the claim based on the information they obtained from scanning Mrs S' car key. So, I've reviewed the key scan report to see if Admiral has considered it fairly, and whether it supports their stance.

The report Admiral has relied on shows it scanned the two keys sent in for testing. And it recorded a chassis number and registration that matches Mrs S' registration and logbook information. It states that key "B" was last updated on 8 April 2024 and showed a mileage recorded of 31,602. This date matched Mrs S' testimony on when she last used the vehicle. However, key "A" showed that it was last used on 11 April 2024 with a mileage recorded of 31,714 – which Admiral said showed the vehicle had been used after Mrs S had told them it had. They concluded that this showed a deliberate attempt to mislead them over the circumstances surrounding the incident.

In response, Mrs S has supplied a range of evidence; in the form of witness statements, flight and taxi records, and details of when her home security alarm was activated and reactivated.

In situations like this, I'm required need to make my decision on the balance of probabilities, given the evidence which is available and the wider circumstances of the complaint, as well as how much weight to give to any piece of evidence. Additionally, Under DISP 3.6.1, my remit is to determine a complaint by reference to what is, in my opinion, fair and reasonable in all the circumstances of the case.

Having thought about all the evidence supplied, while I appreciate the weight Mrs S has placed on her submissions, and I'm satisfied this evidence demonstrates that she was away on holiday when the theft likely occurred, I don't find that this ultimately disproves that the key wasn't used on the 11 April 2024, as the key report shows. All Mrs S' evidence demonstrates is that Mrs S left her property to go on holiday and returned 10 days later. It doesn't show that the key was inside her property during that time or prove the vehicle hadn't been driven.

Ultimately, I find that the report demonstrates that the key was last used on 11 April 2024 – after Mrs S says she last used the car and went away on holiday. And while I note Mrs S has questioned whether the report is factual and says that BMW's have a problem with recording data where they lose time or the clock resets – I've not seen any persuasive or comparable evidence that demonstrates this.

I therefore think that Admiral concluding, on balance, that the car would likely have needed a key to have been taken, is a reasonable conclusion to reach. I do appreciate Mrs S has said the vehicle key may have been cloned, but I haven't seen any evidence which demonstrates a cloned key was used, or that the vehicle was stolen via relay theft. But in any event, either of these methods still wouldn't account for why the key was last used when Mrs S was away on holiday.

Ultimately, I'm persuaded by the evidence Admiral have provided which I'm satisfied supports their decision not to cover the theft claim and seek to recover their costs of their investigation from her. It follows that I find Admiral's decision to rely on this evidence is reasonable – and doing so produces a fair outcome in this particular case.

Conclusion

I recognise this isn't the outcome Mrs S was hoping for, and I am naturally sympathetic to how distressing this situation would have been for her and for the financial impact she's experienced as a result. However, my role is to decide whether Admiral dealt with Mrs S' claim in a fair and reasonable way and can justify their decision to decline cover based on the available evidence. Based on what I've seen, I think it was reasonable for Admiral to decline the claim.

Given Mrs S' concerns over the reliability of the key scan data, I do think it would be fair and reasonable for Admiral to return the car keys to her to allow Mrs S to undertake her own key scan report. Should she feel this evidence would change the outcome of the claim, Admiral would need to consider it in the first instance.

My final decision

For the reasons given above, my final decision is that I do not uphold this complaint or require Admiral Insurance (Gibraltar) Limited to do anything else in relation to it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 14 July 2025.

Stephen Howard
Ombudsman