

The complaint

Mr C complains that AmTrust Specialty Limited (“AmTrust”) declined a claim he made on his caravan insurance policy after the theft of his caravan.

At the time of the events Mr C complains of, AmTrust Speciality Limited were known under its previous registered company name AmTrust Europe Limited. For ease, I’ll refer to it as ‘AmTrust’.

What happened

Mr C held a caravan insurance policy underwritten by AmTrust.

Mr C’s caravan was stolen so he reported it to the police and to his insurance company.

Mr C says the company who were validating the claim were difficult to deal with. They took weeks to respond to emails and asked for information that had already been provided. Mr C says eventually a loss adjustor came to view the storage yard and take details of the claim from him.

Following the visit from the loss assessor AmTrust declined the claim. It said the security at the site where Mr C kept his caravan didn’t comply with the terms of the policy. Mr C wasn’t happy his claim was declined – he says the caravan was stored on a working farm. He says the gate was locked when there was no one on site – overnight and at weekends, and the policy didn’t say the gate needed to be locked all day.

Mr C says the whole matter has impacted him financially and mentally. The caravan was purchased with a personal loan and the agreement for the loan has been placed on hold until the complaint is resolved. Mr C says he complied with the terms of the policy and it’s unfair the claim has been declined. So, Mr C complained.

AmTrust say there are endorsements on the policy for caravans kept at a farm that has diversified into secure caravan storage. The endorsements include things such as perimeter security fencing, a secure area exclusively used for caravan storage, and locked gates to the caravan storage. AmTrust say the owner of the farm advised the gates at the main entrance remained open and unlocked at the time the caravan was stolen. AmTrust had a copy of a text message sent to Mr C in July 2022 confirming there were no security gates. Since the storage facility didn’t comply with the endorsements the claim was declined. AmTrust accept there were delays in the handling of the claim and so offered Mr C £150 compensation.

Mr C wasn’t satisfied with the response from AmTrust and so referred his complaint to this service. Our investigator considered the evidence and concluded the claim had been declined fairly. She said the endorsement was clear the requirement was for locked gates to all entry/exit points and since the gates were only locked on evenings and weekends, the claim had been declined in line with the policy terms. The investigator also concluded the compensation offered by AmTrust fairly reflected the distress and inconvenience caused.

Mr C didn't agree. He said the policy says there needs to be locked gates but it's not clear the gates needed to be locked 24 hours a day. The compound was in a working farm and it's not practical for the main gate to be locked at all times.

Because Mr C didn't agree the complaint has come 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 don't intend to uphold this complaint. I know this won't be the answer Mr C is hoping for, and I do understand and appreciate how disappointed he will be with my decision. I'll explain my reasoning.

Claim decline

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably.

My starting point is to review the terms of Mr C's policy. Mr C's policy covers his caravan for loss or damage caused by several specific defined events – or insured perils. Examples of the insured perils that are covered are fire, storm, theft, and attempted theft.

When Mr C took the policy out he agreed to keep all the policy's terms and conditions, one of which was the farm storage security endorsement. AmTrust applied the following endorsement:

“Farm Storage Compound Security Requirements. Caravans kept at a farm that has diversified into secure caravan storage must have a secure area exclusively used for caravan storage and minimum security of:

i) Perimeter security fencing which must be made up of

- a. Palisade fencing minimum height 5 feet (1.52 metres).*
- b. Hawthorn hedge minimum height 5 feet (1.52 metres).*
- c. Stone/brick wall minimum height 3 feet (0.9 metres).*
- d. Metal Fencing minimum height 5 feet (1.52 metres) AND*

ii) Locked gates to all Entry/Exit points.”

So, for Mr C's claim to have been covered, the loss must have been caused by an insured peril, and no endorsement must apply. I've considered whether that was the case. After reviewing the evidence, I don't think it was unfair for AmTrust to decline the claim.

The endorsement showed that AmTrust thought the risk of covering a vehicle like Mr C's caravan would be too great for it to take on if the vehicle was to be left in an unsecure area not exclusively used for caravan storage, and without locked gates.

Although Mr C took security precautions to protect the vehicle, they weren't sufficient. And in any event, Mr C agreed to comply with the security requirements and had he done so, the caravan may not have been taken.

Looking at the circumstances of the theft, I can appreciate Mr C thinking he left his caravan in a secure area at the farm, that had gates to the entrance and exit point. He'd also locked

his caravan with a hitch lock, wheel lock and another generic wheel lock. However, the requirements of AmTrust are clear about the need to secure a caravan in a secure area exclusively used for caravan storage with perimeter fencing and locked gates to all entry/exit points.

AmTrust found there were no security gates at the site where the caravan was kept. And while there are gates they are at the main entrance, and these remained open and unlocked. I have seen the text message from Mr C to the owner of the site asking if the security gates had been installed, the owner confirmed they hadn't been. So, Mr C was aware there were no security gates where his caravan was kept.

There is nothing in Mr C's policy with AmTrust that would provide any cover for him under these circumstances. This policy doesn't provide cover for caravans where they aren't kept in the conditions set out in the endorsements.

Locked gate

Mr C says the endorsement refers to locked gates but it's not clear the gates need to be locked 24 hours a day. The compound was in a working farm and it's not practical for the main gate to be locked at all times.

The endorsement states, "*locked gates to all entry/exit points*". So, I think it is clear the gates need to be locked at all times, since the endorsement relates to the security of the caravan. Mr C says it's not practical for the main gate to be locked at all times but that's not what the endorsement says.

The endorsement specifies that the caravan must have a secure area exclusively used for caravan storage with perimeter fencing and locked gates. So, the requirement is for the secure area to have locked gates, in addition to or rather than the main gate to the farm.

Conclusion

Having reviewed everything Mr C provided, plus the details of AmTrust's investigation, I think it acted reasonably in declining the claim after deciding that Mr C had breached the endorsement. Mr C knew, or should have known, that not complying with it could lead to a claim on the policy being declined, yet he chose not to keep to its requirements.

I empathise with Mr C for what's happened. I recognise he's incurred a significant financial loss as a result of the theft and subsequent decline of his claim. I also appreciate he thought he'd taken the necessary steps to ensure he complied with the policy terms. But I can only consider whether AmTrust acted unfairly by declining his insurance claim, and I don't think it has here. I am sorry to send unwelcome news to Mr C.

My final decision

For the reasons given above I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 18 August 2025.

Kiran Clair
Ombudsman