

## **The complaint**

Mr N complains that Admiral Insurance (Gibraltar) Limited (“Admiral”) treated him unfairly following a claim for the theft of his vehicle.

## **What happened**

The background to this complaint is known to both parties and so I won’t repeat it at length here.

Mr N made a claim for a stolen vehicle insured with Admiral. Admiral investigated the circumstances of the claim and as part of its investigation asked Mr N for further information relating to the theft. Mr N told Admiral which area the vehicle was parked in but didn’t have the full address. He said he visited a friend’s house nearby where he was drinking with some friends. After the night finished, Mr N said he took the train home but didn’t notice his car outside. Another friend then came to collect Mr N in the early morning so he could collect his vehicle, but his vehicle wasn’t there. Admiral said Mr N wasn’t able to evidence who he was with or how he got home, including details of his friend who took him to collect his vehicle in the morning. Based on the information Mr N gave, Admiral said they weren’t satisfied that the theft had happened in the way Mr N reported it.

During the investigation, Mr N’s vehicle was recovered. The vehicle was inspected and there was smoke coming from the engine. Admiral said there were no signs of any theft related damage. Further investigation led Admiral to believe that the vehicle already had issues with its engine which was pre-existing and therefore wasn’t covered under Mr N’s policy. Admiral therefore declined Mr N’s claim.

Mr N thought Admiral were being unfair by not paying his claim. He said that Admiral had made a number of assumptions about the claim in order to refuse cover, so he complained to Admiral – but they didn’t uphold the complaint.

Mr N then brought the complaint to the Financial Ombudsman, and an investigator looked at what happened. The investigator concluded that he thought Admiral were justified in their decision not to provide cover, given the findings of their investigation.

Mr N didn’t agree with the investigator’s findings, he said that the vehicle had also been returned with damage to the gearbox which was not present before it was stolen. Mr N also said the vehicle had been in storage and incurred £850 of storage fees as well as having a theft marker placed on it – so he felt he had been left substantially worse off than before the theft claim.

The investigator asked Admiral to comment on the points Mr N raised but Admiral said it wasn’t aware of these issues – but it offered to undertake a further examination of the vehicle in order to determine whether new damage had occurred. Admiral attempted to contact Mr N but weren’t able to inspect the vehicle. Mr N said the vehicle has been scrapped now.

Ultimately, Mr N felt that the policy should have responded to the claim as he paid for the policy in good faith and was unhappy as he felt that Admiral made a number of assumptions about the circumstances when he originally reported the claim to them.

Mr N disagreed with our investigator, so the case has 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 think it's important to firstly explain that I've read and taken into account all of the information provided by both parties, in reaching my decision. If I've not reflected something that's been said in this decision it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is. This also means I don't think it's necessary to get an answer, or provide my own answer, to every question raised unless it's relevant to the crux of the complaint.

When Mr N reported the theft claim, Admiral as the insurer were entitled to carry out an investigation to check that the claim was one it would cover under the terms of the policy. I'm satisfied that during the investigation of the claim Admiral asked reasonable questions for further information so they could validate Mr N's claim. Admiral said Mr N was unable to give sufficient information. I can see that Mr N did provide a response to Admiral's request for information, but Admiral wasn't satisfied with Mr N's responses and the level of detail provided about the circumstances of the theft.

While the claim was still being investigated, Mr N's vehicle was recovered and therefore, the claim was no longer for the loss of the vehicle as such. Admiral said the vehicle was recovered with damage and therefore investigated the circumstances of the theft as reported by Mr N and whether the damage was related to the theft. Mr N was unhappy with how long the investigation lasted and he said the vehicle was deemed a total loss so Admiral should pay out.

Admiral instructed a garage to inspect the vehicle which reported smoke coming from the engine. Admiral also spoke to the previous owner of the vehicle at which point they discovered that there was pre-existing damage to the engine which wouldn't be covered under Mr N's policy. Admiral therefore declined Mr N's claim. Mr N said the pre-existing damage had been repaired but he wasn't able to evidence the repairs.

In situations like this, where the evidence is incomplete or contradictory, I'll make my decision on the balance of probabilities. That is, what do I think is more likely than not, given the evidence which is available and the wider circumstances.

It is not known whether the pre-existing issues with the engine had been repaired or not. But on a balance of probability, given that the previous owner also confirmed there were pre-existing issues with the engine which were costly, and Mr N hasn't been able to evidence any repairs, I think it's more likely than not those issues were still present. As such, I think Admiral's decision to decline cover was fair and reasonable.

Following the investigator's view, Mr N told him that he'd also incurred storage charges for around £850 and the vehicle was returned with damage to the gearbox as well. I note that Mr N hasn't raised either of these issues with Admiral and so I haven't made a finding on them.

Having considered the circumstances of this complaint very carefully, I'm persuaded that Admiral's decision to decline Mr N's claim was fair and reasonable.

### **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 N to accept or reject my decision before 16 January 2024.

Ankita Patel  
**Ombudsman**