

The complaint

Mrs R has complained about Advantage Insurance Company Limited. She isn't happy that it cancelled her motor insurance policy and turned down her claim.

What happened

Mrs R's car was stolen from outside her home address and she reported the claim to Advantage. When it looked into the circumstances surrounding the claim it turned it down and cancelled the policy. This was because it thought the claim wasn't as Mrs R reported and so it declined the claim citing the fraud exclusion under the policy.

As Mrs R wasn't happy she complained to Advantage about this. It maintained its position and said that the keys provided either didn't match Mrs R's car or hadn't been used in the months leading up to the theft. And when Mrs R then looked to send a further third key this was lost in the post and couldn't be checked so Advantage maintained its position.

Unhappy with Advantage's response, Mrs R approached this Service.

Our investigator looked into things for Mrs R but didn't uphold her complaint. Although she sympathised with the position Mrs R had found herself in she didn't think Advantage had done anything wrong. It felt that there were inaccuracies and inconsistencies in Mrs R's account which led it to turn down the claim.

As Mrs R didn't agree the matter has been passed to me for review.

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, and despite my natural sympathy for Mrs R I'm not upholding this complaint. I'll explain why.

When Mrs R made a claim under her policy Advantage looked into the circumstances surrounding the claim as insurers invariably do. Mrs R said her car was stolen from outside her home address and that she had both keys to her car. She sent them off to Advantage and it looked to test the keys, but they were both of a slightly different design. It transpired one was a genuine key that had been used with the car a few months before the theft. And the other was from a newer model of the same vehicle which wasn't connected to Mrs R's car – in fact this key has been passed to the police as part of a separate investigation.

Advantage told Mrs R about the discrepancy with the second key and she explained this must have been left by a family member when they stayed at her house. And Mrs R said that she would send another key (a third key) into Advantage to be checked as well (which she now believed must be the correct one). Unfortunately, this key was lost in the post, so Advantage hasn't been able to test this key.

However, Mrs R was very clear in the telephone call with Advantage (which I've listened to) when she was told that the second key didn't match her car that the key she still had in her possession (the third key) was the spare key and she explained it was broken. Mrs R was clear that the main key that she used all the time was the key Advantage already had in its possession and said *'I've been using...the one you've got'* and that *'the one I've got...it was broken weren't it so I weren't using that one...'*. But when Advantage tested the key it had received that was connected to her car it hadn't been used with her car in the months leading up to the theft. So, it would seem this wasn't the main key and yet the one Mrs R had in her possession (the third key) was broken and wasn't used.

Given these discrepancies I can't say Advantage has acted unfairly here. It has questioned whether the posting of the third key was genuine and I can understand this although there is insufficient evidence to support its position. But, given the differences in the style of key I would have expected Mrs R to identify the correct keys and to have sent them to Advantage in the first place as she used the vehicle, and the keys every day. Indeed, if she was in doubt, as Mrs R suggested when Advantage called her about the incorrect key, then she could have sent all three. And Mrs R made it very clear that the key Advantage had was the one she used every day as the third key, that she still had in her possession, was broken. But it is clear that this key hadn't been used for a few months and so can't have been the key Mrs R used just before the theft. And given what Mrs R said about the third key that was subsequently lost being broken, I can understand Advantage's concerns.

Overall, Advantage has genuine questions about the circumstances surrounding the theft, the usage of the keys and the possible use of a genuine key in the theft of the car so I can't say that its questions and decline of the claim are unreasonable.

My final decision

It follows, for the reasons given above, that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 25 August 2023.

Colin Keegan
Ombudsman