

## **The complaint**

Mr W has complained that Zenith Insurance plc unfairly declined to pay a claim on his bike insurance policy.

Reference to Zenith includes its agents.

## **What happened**

Mr W discovered one morning that thieves had stolen his bike overnight. He rang the police to report the theft and also rang his insurance broker to tell them about it. A couple of days later he spoke with Zenith and ran through the details of the theft again – including where his bike had been at the time.

Zenith looked into the claim further, including appointing investigators to interview Mr W. It also asked the police for a report of the incident. Eventually the police provided their report and Zenith followed that up with a direct question about what Mr W had said when initially reporting the crime.

Zenith then told Mr W that it was refusing to pay his claim. It said he had misrepresented the circumstances of the claim for financial gain and that it would add his details to a national fraud register.

Mr W was very unhappy with Zenith's handling of the matter and brought his complaint to us. One of our investigators looked into it. She didn't think Zenith needed to take any further action. Mr W didn't agree so his complaint'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'm not going to uphold it.

Mr W's policy has an endorsement which says that in order to be covered for theft when at his home address, his bike must be kept locked in a garage. So, if Mr W's bike wasn't locked in his garage when the theft took place, then Zenith wouldn't cover his claim.

I've listened to the call during which Mr W reported the theft to his broker, which was around an hour after he'd discovered it. In that call the broker asked Mr W where his bike was the last time he saw it. Mr W answered:

*“on my drive in front of my garage”*

The call handler asked if that was outside and Mr W replied:

*“yes very much so”*

So, Mr W was very clear in that call that his bike had been outside, on his drive, the last time he saw it. In other words it wasn't in his garage.

Similarly, Zenith asked the police to clarify what Mr W had told them in relation to where his bike had been when it was stolen. The police told Zenith they'd listened to the call and Mr W:

*"definitely states the motorcycle was stolen from an area directly outside his garage in the garden"*

So, in the two calls Mr W made, straight after discovering his bike had been stolen, he said that it had been taken from outside his garage and not from inside it. If that's correct then his policy wouldn't cover the theft.

But, a couple of days later, Mr W changed his account. And he's since consistently said the thieves had broken into his garage in order to steal his bike. He's explained that he's hard of hearing and wasn't wearing his hearing aids when he spoke to the police and so may have misunderstood what they were asking him. He's also told us that when he spoke with the police he had just woken up and was somewhat shocked. He said he *"made a mistake on the phone"* because of his hearing problem and was confused.

I've thought very carefully about Mr W's explanation for his changing account of where he left his bike prior to the theft, but I don't find it persuasive. I appreciate Mr W is hard of hearing, but I've listened to his call with the broker. During that, he responds to all of the questions put to him clearly and without ever asking the broker to repeat anything. There's certainly no indication, at any point, that he misunderstood the questions, and he answered confidently. So I'm not persuaded that Mr W's hearing problem led him to make a mistake when giving information about the theft.

During the call, the broker asked Mr W to confirm if his bike was outside (and so not in the garage) at the time of the theft, he said *"yes, very much so"*. But, if his bike had, in fact, been in the garage and thieves had broken into that in order to steal it, I can't think of any logical reason why Mr W would confirm his bike was outside, irrespective of the fact he's likely to have been shocked by the theft.

I haven't heard Mr W's call to the police to report the theft. But, in response to Zenith's enquiry, the police were very clear that Mr W had *"definitely"* said his bike was outside at the time. Mr W's since said that he was telling the police that it was the cover for his bike which the thieves had left outside. But if that was the case, I don't think the police would have said he *"definitely"* – that is without doubt – told them that his bike, not its cover, had been outside at the time of the theft. And Mr W rang the police very soon after discovering the theft, when the circumstances of it were likely to have been fresh in his mind, So I think his initial account of what happened is more likely to be accurate rather than what he told Zenith some days later.

In those circumstances, it seems more likely than not, that Mr W's bike was not in the garage when it was stolen. So, on balance, it seems equally as likely that Mr W changed his account of where the bike was. In those circumstances I think it was reasonable for Zenith to take the actions that it did in refusing to pay Mr W's claim.

### **My final decision**

For the reasons set out above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 14 January 2022.

Joe Scott

**Ombudsman**