

## The complaint

Mr H and Mrs H have complained that Red Sands Insurance Company (Europe) Limited ('Red Sands') unfairly declined a claim under their home contents policy.

## What happened

Mr H and Mrs H contacted Red Sands to make a claim when two bikes were stolen from a balcony at their home. Red Sands declined the claim because the bikes hadn't been secured to an immovable object.

So, Mr H and Mrs H complained to Red Sands. When Red Sands replied, it said it had looked again at the claim but maintained its decision to decline it. Red Sands said the terms and conditions of the policy required the bike to be secured to an immovable object when unattended.

When Mr H and Mrs H complained to this service, our investigator didn't uphold the complaint. He said Red Sands had acted fairly by declining the claim, as the bikes weren't secured to an immovable object, which was a requirement in the policy.

As Mr H and Mrs H didn't agree, the complaint was referred to me.

## 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 uphold this complaint. I will explain why.

Red Sands considered the claim and declined it because it said the bikes were on a balcony so needed to be secured to an immovable object. The policy said it provided cover for:

*"The contents of the flat known as [the property address] that remain in the flat and the specified and unspecified Personal Possessions below that You own or are legally responsible for..."*

It also provided Personal Possessions cover up to the insured value of each bike:

*"for any sudden, unforeseen loss or damage over and above £350 that We agree to cover once suitable proof of ownership has been received while used riding recreationally and within the United Kingdom and caused by:*

- Theft while left unattended and locked through the frame to an immovable object with a rigid bicycle or motorcycle lock"*

I also read the Insurance Product Information Document (IPID), which said:

*"Theft of bikes outside the flat is only covered while locked through the frame to an immovable object with a rigid bicycle or motorcycle lock."*

And

*“Contents are covered while inside the flat known as [the property address] and specified personal possessions anywhere in the United Kingdom ...”*

The bikes were on a first-floor glass balcony. So, I've thought about whether it was reasonable to say the bikes were outside. In my view, it was. The balcony was on the outside of the building and was open to the elements. I don't think that can fairly be regarded as being “*inside*” the flat.

I've also thought about whether the bikes were “*unattended*”. This word isn't defined in the policy. So, we would generally say that something was unattended if the policyholder (or a trusted person) isn't in a position to be able to prevent someone interfering with it. The bikes were stolen in the middle of the night while Mr H and Mrs H were asleep. So, I think it's fair to say the bikes were unattended. As a result, they needed to be secured to an immovable object.

Mr H and Mrs H have said there was no immovable object on the balcony to secure the bikes to. I'm also aware that Mr H and Mrs H were unable to make any changes because they rented the flat. However, I don't think that affects the requirement to secure the bikes to an immovable object. Instead, it seems to show that the balcony was an unsuitable place to store the bikes if Mr H and Mrs H wanted cover under the policy.

So, thinking about all of the above, I don't uphold this complaint or require Red Sands to do anything further.

### **My final decision**

For the reasons I have given, it is my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H and Mrs H to accept or reject my decision before 10 March 2022.

Louise O'Sullivan  
**Ombudsman**