

The complaint

Mr G complains that Sabre Insurance Company Limited (Sabre) reduced his no claims bonus (NCB) to nil after two of his motorbikes were stolen, under his motor insurance policy.

What happened

Two of Mr G's motorbikes were stolen from an underground garage at the same time. He had them insured on a multi-bike policy with Sabre. Mr G thought this should be classed as one claim, but Sabre recorded it as two. This meant his NCB reduced from six years down to nil. Mr G didn't think this was fair and complained to Sabre.

In its final complaint response Sabre says although the bikes were stolen at the same time, it must set up two claims on its system to facilitate payment. It says it can't make payment for both bikes under one claim. It refers to its policy terms that state the NCB will reduce to zero where two claims are made before the policy renewal date.

As a gesture of goodwill Sabre says it will manually amend the renewal to count only one claim. But it says it can't guarantee how other insurers will assess Mr G's premium given both claims will remain on the Consumer Underwriting Exchange (CUE) database.

Mr G didn't think this was fair and referred the matter to our service. Our investigator didn't uphold his complaint. He says as two bikes were stolen this had to be recorded as two claims – one for each bike. He says each is listed separately on Mr G's insurance certificate with a separate excess applied for each.

Mr G didn't agree and asked for an ombudsman to review his complaint.

It has been passed to me to decide.

I issued a provisional decision in September 2022 explaining that I was intending to uphold Mr G's complaint. Here's what I said:

provisional findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

My remit here to is to consider whether Sabre treated Mr G fairly when recording two claims following the theft of his two motor bikes.

I have read Mr G's policy terms. In relation to excess payments the terms say:

"If you have a multibike policy, the full excess is applied to each vehicle on which a claim is being made, except if there is a claim on more than one motorcycle for the same claim, in which the higher excess will apply."

Mr G has a multi-bike policy. It's accepted that two of his bikes listed on his policy were

stolen during the same incident. The policy terms indicate that only one excess is applicable in these circumstances. Mr G paid £1,025 for his excess charge. This represents one excess fee, which is in line with what the terms say.

I think Sabre has correctly charged one excess fee here.

The policy schedule says:

“We will not pay the first amount shown in the policy schedule for any fire or theft claim under Section 1 of this document. This endorsement applies on top of any other amount which you may have to pay towards each claim. If you have a multibike policy, the full excess is applied to each vehicle on which a claim is being made, except if there is a claim on more than one motorcycle for the same claim, in which the higher excess will apply. If we pay the whole amount of the claim at first, you must immediately pay us the amount you have to pay under this endorsement.”

The indication is that one claim can incorporate the theft of more than one bike. Mr G has one policy number and as confirmed by Sabre only one policy excess is payable in these circumstances.

I acknowledge Sabre’s comments that its system limitations mean it had to record two separate claims in order to provide payment for both of Mr G’s bikes. But I don’t think its system limitations should mean that two claims are recorded as opposed to one.

I have thought about Sabre’s reliance on its policy terms to justify reducing Mr G’s NCB to nil. The terms say:

“If two or more claims arise before the renewal date and your no claim bonus is not guaranteed your no claim bonus entitlement will be reduced to nil.”

If Mr G had made two claims, Sabre would’ve been justified in reducing his NCB to nil. But I don’t think he did. Mr G made one claim when two of his bikes were stolen at the same time from the same place. I think the policy terms indicate this should be recorded as one claim.

Mr G says he is happy with how the claim was handled. The only issue he has is that two claims were recorded when he thinks this should’ve been one. I agree with Mr G that the fair outcome here is that only one claim is recorded by Sabre.

In summary I don’t think Sabre treated Mr G fairly when recording two claims against his policy. This has reduced his NCB to nil. The terms indicate only claim should be recorded and so it’s fair that Sabre amends its records, and those on the CUE database, to confirm only one claim was made. It should also amend Mr G’s NCB to reflect that only one claim was made.

I said I was intending to uphold Mr G’s complaint and Sabre Insurance Company Limited should:

- *amend its records, and those held on the CUE database, to show only one claim relating to this incident; and*
- *amend Mr G’s no-claims bonus to reflect that only one claim was made.*

I asked both parties to send me any further comments and information they might want me to consider before I reached a final decision.

Sabre says that it accepts my provisional decision.

Mr G said he had no further comments or information for me to consider.

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.

As neither party has made any further submissions or provided further evidence for me to consider, I see no reason to change my provisional findings.

So, my final decision is the same as my provisional decision and for the same reasons.

My final decision

My final decision is that I uphold this complaint. Sabre Insurance Company Limited should:

- amend its records, and those held on the CUE database, to show only one claim relating to this incident; and
- amend Mr G's no-claims bonus to reflect that only one claim was made.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 21 October 2022.

Mike Waldron
Ombudsman