

The complaint

Mr E complains that Markerstudy Insurance Company Ltd have declined his claim for theft of his motorbike and provided poor service.

What happened

Mr E had an insurance policy with Markerstudy for his motorbike.

In May 2022 Mr E's motorbike was stolen, and he made a claim. Markerstudy declined the claim saying the motorbike wasn't in a locked garage at the time it was taken, which was a requirement of the terms of the policy.

Mr E complained about this. He said that he was in the process of moving to his new house, and the motorbike was stolen from his new property, which was not the property at which the motorbike was yet registered.

Mr E also complained that he had to pay for recovery and he was being charged £105.36 for the policy even though he has cancelled it. He also complained about issues of not being able to get through to Markerstudy on the telephone.

In their final response, Markerstudy said that they were satisfied the claim had been declined fairly, and that as the claim had been declined, they weren't responsible for the recovery fees. They accepted there were failings in the service and sent Mr E £75.00 to recognise this.

Mr E was unhappy with Markerstudy's response and brought his complaint to us.

One of our investigators has looked into Mr E's complaint but he thought Markerstudy had acted fairly in declining his claim and their offer for compensation was fair.

Mr E disagreed with our investigator's view, and so the case has come to me to 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.

What I have to decide is whether Markerstudy have fairly declined the claim in line with the terms and conditions of the policy, and whether they have provided a good standard of service.

I can appreciate how upsetting it has been for Mr E to have his one method of transport stolen and damaged beyond repair, and finding that he wasn't covered by his insurance as he had expected would have added to this. I'm sorry that he finds himself in this position.

However, I've carefully considered the information provided by Mr E and Markerstudy and I won't be upholding this complaint. I will explain why.

Declining the claim

Markerstudy say that they have declined the claim because the motorbike wasn't in a locked garage in line with the terms of the following policy endorsement:

You have agreed that you will keep your vehicle in your private locked garage or building, at your home address, to which only you and anyone with your permission have access. If a theft or attempted theft of your vehicle happens at any time and within a 500-metre radius of your home address when the vehicle is not locked in this garage or building, we will not pay the claim. This restriction does not apply to any loss or damage occurring whilst your motorcycle is parked away from your home during the course of a journey.

This endorsement appears on the policy schedule which was provided to Mr E when he bought the policy.

I have listened to the calls Mr E made to Markerstudy when he first reported the theft, and the subsequent calls when he was asked for extra information, and when the claim was declined. In these calls Mr E admits that the motorbike wasn't in the garage, but he says that it was locked and immobilised and was on his drive, in front of the garage, but behind his gate. I'm satisfied from Mr E's own account of matters evidences that the motorbike wasn't stored in the way that the policy endorsement requires for a claim to be validated.

However, Mr E told us that he was in the process of moving house, and so he left the bike outside as he intended to use it to go back to the old property to get more possessions after a short break. Mr E has pointed out that his motorbike was still registered at his previous address at the time of the theft, and that he still had a valid tenancy agreement in place for the property he was moving from.

So, I've then thought about whether Mr E's "home" for the purposes of the policy was the address he was moving from, or the address he was moving to.

There is no definition of "home" in the policy booklet, so I've applied the ordinary meaning of the word, which is "the place where you live".

During one of the calls to Markerstudy, they ask Mr E very specific questions about where he is living. Mr E advises Markerstudy that he moved into the new property on the previous Saturday but that he was still bringing items across. He says he went inside the new property to have some food and take a shower and nap, and it was during that period that his bike was stolen. It was a period of 3 hours or so.

Although I can see that Mr E still had a tenancy agreement in place for the old property for a few more weeks, he refers to his family being at the new property, and the fact that he went in to have some food with them, have a shower, and to have some rest supports Markerstudy's finding that he is living at the new property, as both his family and many of his possessions are there. I have also taken into account that in the conversations with Markerstudy, Mr E refers to the new property as his "home", and to the previous property as his "old house".

And so, I'm satisfied that for the purposes of the policy and the application of the endorsement, Markerstudy have acted fairly in finding that Mr E's motorbike was parked outside his home, and therefore needed to be in a private locked garage when not in use in order to be covered by the policy.

Mr E has raised an issue that he thought that the requirement for garaging was only overnight, and he says when he took out the policy, he only responded to say that the motorbike would be garaged overnight. I'm satisfied that the terms are clear that the endorsement applies to any time the motorbike is within 500 metres of home and doesn't only apply to overnight storage. I can't make any comment in what Mr E was told during the sale process as the policy was sold through a broker, and so any complaint about what Mr E was told during the sale process would have to be raised as a complaint about the broker.

Poor service

In terms of the service that Markerstudy provided, I can see that Mr E had some difficulty getting through on the telephone, and I also think Markerstudy could have explained the endorsement to him sooner and bit more clearly. However, this wouldn't have changed the outcome. I can see that Markerstudy have paid Mr E £75 in respect of these service failings and I'm satisfied that this is fair offer.

My final decision

I'm not upholding Mr E's complaint about Markerstudy Insurance Company Limited and so I won't be asking them to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 4 April 2023.

Joanne Ward
Ombudsman