

## The complaint

Mr R complains about how West Bay Insurance Plc handled his claim against his motorcycle insurance policy. Reference to West Bay includes its agents.

## What happened

The details of this complaint are well known to both parties, so I won't repeat them again here in full. In summary, in July 2022, Mr R took out, via a broker, a motorcycle insurance policy underwritten by West Bay. Unfortunately, his motorcycle was stolen from the driveway of his home. Mr R says that he discovered the theft at around 11.30pm, when he went to put his motorcycle in his garage.

On 9 July 2023, Mr R made a claim against his policy. I understand that Mr R's motorcycle was discovered by a member of the public later that day, very near to Mr R's home. It had been damaged. On 10 July 2023, West Bay instructed its recovery agents to collect Mr R's motorcycle, which it did on 11 July 2023.

On 21 August 2023, West Bay declined Mr R's claim. It relied on an exclusion in the policy which said that it wouldn't pay a claim arising from theft or attempted theft of Mr R's motorcycle within a 500 metre radius of his home address when the vehicle was not locked in a garage or building. West Bay said that Mr R's motorcycle was a category N write-off and it referred to arrangements for the return of the motorcycle to Mr R.

Mr R complained to West Bay about:

- difficultly making an online claim;
- its decline of his claim;
- parts missing from his motorcycle;
- the broker failing to send him policy documents and the policy wording only referring to keeping his motorcycle in a garage overnight;
- its handling of the return of his motorcycle;
- difficulty contacting the claims team.

Mr R wants West Bay to settle his claim and compensate him for his distress and inconvenience.

In response to Mr R's complaint, West Bay paid Mr R compensation of £150 in relation to service issues but maintained its position in relation to his claim. It said that Mr R's broker is responsible for issuing the policy documents. West Bay said that its recovery agent had also paid Mr R compensation of £100 in relation to the collection of his motorcycle and the missing headlight, which it thought was reasonable.

One of our investigators looked at what had happened. She didn't think that West Bay had acted unfairly in declining Mr R's claim. The investigator said that West Bay made the relevant exclusion clear in the documentation.

Mr R didn't agree with the investigator. He says that the documents he got from his broker didn't mention that he'd have to keep his motorcycle in the garage at all times.

Mr R asked why he's not covered for vandalism to his motorcycle and missing parts. There was further correspondence between Mr R and the investigator which I won't set out here in full. Mr R says that his motorcycle became West Bay's property after the theft, so it's responsible for any further damage. He says that it's clear from the photos that the engine control unit and headlight were present after the theft. Mr R says that compensation of £100 isn't sufficient to replace the headlight.

Mr R asked that an ombudsman consider his complaint, so it was passed to me to decide.

In this decision, I'm dealing with the matters dealt with by West Bay in its final response to Mr R of 14 November 2023. If there are matters arising since then, Mr R should first take the matter up with West Bay and those matters may be the subject of a separate complaint. Also, I don't consider here any complaint Mr R may have against his broker.

### 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.

The relevant rules and industry guidance say that West Bay has a responsibility to handle claims promptly and fairly and it shouldn't reject a claim unreasonably. I don't uphold Mr R's complaint and I'll explain why:

#### *West Bay's decision to decline Mr R's claim*

- Insurance policies aren't designed to cover every eventuality or situation. An insurer will decide what risks it's willing to cover and set these out in the terms and conditions of the policy document. In general terms, insurers can decide what risks they wish to cover.
- The '[...]' **STATEMENT OF INSURANCE**' shows the questions West Bay asked Mr R and the answers he gave. One of the questions West Bay asked was '*is/Are the vehicle(s) kept in a locked garage or outbuilding overnight?*' Mr R ticked the box 'YES'. Under the heading '**NOTES RELATING TO THIS APPLICATION FOR INSURANCE**' it says '*We reserve the right to ask for special terms or to decline this application...*'. West Bay wasn't bound to offer Mr R a policy that required his motorcycle to be kept in a garage or outbuilding only overnight.
- The first page of Mr R's policy schedule includes the following:

#### **'Endorsement(s)**

[...]

#### **E728 – Excluding Theft When Not in Private Garage**

*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.'*

- An exclusion like the one in Mr R's policy isn't particularly unusual or onerous in policies of this type. The endorsement was set out clearly on the first page of

Mr R's policy schedule. And the Insurance Product Information Document (IPID) says:

***'Are there any restrictions on cover?***

*[...]*

*! If you have stated that you will keep your motorcycle in a garage you must ensure it is kept there when unattended at ALL times whilst at the declared garaging address in order for theft cover to apply.*

*[...]*

- Mr R says that he didn't receive his policy documents. West Bay isn't responsible for the actions of Mr R's broker, including delivery of the policy documents to Mr R; that's a matter for his broker.
- I think that West Bay didn't act unfairly or unreasonably in declining Mr R's claim as it's common ground that his motorcycle was stolen from his driveway and wasn't in a locked garage or building at the time of the theft. I think that West Bay is entitled to rely on the exclusion I've set out above.

***Damage to Mr R's motorcycle***

- I don't think West Bay was obliged to consider a separate claim for vandalism as the damage to Mr R's motorcycle was a direct result of the theft, which is excluded from cover. And I think it's unlikely that the damage would have occurred if Mr R's motorcycle had been in his garage, in line with the policy endorsement.
- Mr R says that his motorcycle became West Bay's property after the theft. That's not in fact the case. But West Bay should take reasonable care of the recovered motorcycle. West Bay instructed its recovery agent on 10 July 2023 and the recovery agent collected Mr R's motorcycle on 11 July 2023. I don't think that there was an unreasonable delay in West Bay arranging collection of Mr R's motorcycle.
- Mr R has provided photographs which he says he took following discovery of his motorcycle on 9 July 2023. There was some damage to Mr R's motorcycle when it was first discovered. The photographs taken by West Bay's recovery agent on 11 July 2023 show further damage, including the absence of the engine control unit. West Bay isn't responsible for Mr R's motorcycle either at the time of the theft or in the period before recovery of the motorcycle.
- West Bay's recovery agent says that the only detached component it retrieved was the headlight. It has apologised to Mr R for previously telling him, incorrectly, that there were other loose parts. I understand that the headlight is missing. West Bay's recovery agent has offered Mr R compensation of £100 in relation to that. That was based on the cost of a second hand part that was available. I think that's fair, taking into account that the headlight was damaged before West Bays' recovery agent collected the motorcycle.
- When Mr R raised concerns about signing West Bay's waiver before return of the motorcycle to him, it arranged for photos of the motorcycle for his consideration and offered to deliver it free of charge. I think that was reasonable.
- West Bay upheld the parts of Mr R's complaint about the difficulties he encountered in making his claim and contacting the claims team. It says it has paid Mr R compensation of £150 in relation to those matters. I think that's fair. I

understand that West Bay has already paid this but if it hasn't done so, it should pay Mr R directly.

**My final decision**

My final decision is that West Bay should pay Mr R the compensation of £150 it has offered, if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 27 May 2024.

Louise Povey  
**Ombudsman**