

The complaint

Mr A has complained about his motorbike insurer Alwyn Insurance Company Limited because it declined his claim for theft of his bike.

What happened

Mr A owned a bike, which he needed to have a CBT (Compulsory Basic Training) qualification to be able to ride. Mr A had a CBT certificate but it expired in December 2022, around which time the bike began to be kept at a friend's.

In around July 2023 Mr A went on holiday for a few weeks. In September 2023 Mr A became aware his bike had been stolen. He made a claim. Alwyn asked for various documents from Mr A, including his current CBT certificate. Once provided Alwyn noted the CBT had expired and Mr A said he'd been unable to get a new one. Mr A also told Alwyn that he'd last used the bike before he went on holiday.

Alwyn noted the location the bike had been parked at, which was five miles from Mr A's home address. Also that the policy contained a term excluding loss where the bike was last in the charge of someone without a CBT qualification. So Alwyn declined the claim. Whilst Mr A appealed that decision, Alwyn's position didn't change and he complained to the Financial Ombudsman Service.

Our Investigator, noting what Mr A had said about when he last used the bike, and what the policy allowed, felt Alwyn had made a fair and reasonable decision. As such, she didn't uphold the complaint.

Mr A was unhappy. He said his comments in the call with Alwyn, about when he last used the bike, shouldn't be relied upon. He said he'd been under the influence during that call and had said he couldn't actually remember when he'd last used the bike. Our Investigator reviewed matters but felt it had been reasonable for Alwyn to have relied on what Mr A had said when it made its decision. The complaint was referred for an Ombudsman's decision.

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 find my view on the complaint is the same as our Investigator. With regret for the upset I know this will cause Mr A, I'm not upholding his complaint.

A policy of insurance will not cover a policyholder for every eventuality. All policies of which I am aware contain exclusions to cover. So whilst Mr A had a policy which would, on the face of it, offer him cover for theft of his bike, the policy exclusions meant there were certain circumstances in which theft would not be covered.

In this respect I've noted what the policy says. Under a heading for general exclusions the policy explains that it does not cover claims arising from the motorbike being either:

- ridden by or last in the charge of anyone who is not specified in the certificate of insurance as a person insured to ride the motorcycle; or
- ridden by or last in the charge of anyone who..... has not satisfactorily completed Compulsory Basic Training (CBT) and revalidated this where required.

Bearing these in mind, Alwyn, in its review, noted both that the bike was kept somewhere other than Mr A's home address and that Mr A's CBT had expired. I note that Mr A's home address is stated on the policy as being where the bike is normally kept. It is clear though that the bike had not been 'kept' at that address for sometime. Mr A was also fairly clear with Alwyn that he had used the bike relatively recently, in spite of the fact that his CBT had expired. It seems that whilst the bike was 'kept' elsewhere it was still Mr A's bike. With Mr A being the only person named on the insurance certificate.

Alwyn's also explained though that its main cause for concern was Mr A's expired CBT qualification. I'm satisfied he'd had ample time since the previous qualification expired to revalidate it. I haven't seen any good reason why this was not done or why Alwyn was not updated with the changes. I bear in mind Mr A had told it he was using the bike, without a valid CBT, even as recently as July 2023.

I've considered what Mr A said about having been under the influence when telling Alwyn he'd used the bike in July 2023. However, I'm not persuaded that should mean Alwyn should reasonably discount that detail. Alwyn asked Mr A at the start of the call with him if it was a good time to speak – and Mr A knew this was an important conversation about his complaint over the decline. Mr A agreed to speak. He didn't indicate that he wasn't in a fit state to discuss matters – and I don't think Mr A's affect or tone of voice should have alerted the caller to this being a possibility. I think Mr A was clear that he couldn't remember exactly when he last used the bike – but he seemed fairly certain he had used it before going on holiday in July 2023. I think if he had not used it since December 2022, when his CBT expired – that would have been quite easy to remember.

In any event, I haven't seen that Mr A, following the phone call, told Alwyn he had been mistaken about when he last used the bike. I think it reasonably took the detail he had provided into account when reviewing its decision to decline the claim. I think, on balance, in the circumstances, Alwyn made a fair and reasonable decision based on what the policy terms allow.

My final decision

I don't uphold this complaint. I don't make any award against Alwyn Insurance Company Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 24 July 2024.

Fiona Robinson
Ombudsman