

complaint

Mr M complains Society of Lloyd's unfairly declined his claim for the theft of his scooter.

All references to Society of Lloyd's include its agents, for which it has responsibility.

background

In 2016 Mr M made a claim on his motorcycle insurance policy when his scooter was stolen. Society of Lloyd's declined the claim because he left the scooter running with the keys in the ignition at the time of the theft. Mr M complains the decision is unfair because he only left the scooter to tend to his daughter when he thought she'd badly hurt herself. And he says the exclusions it's relying on weren't sufficiently highlighted to him when he bought the policy.

Mr M also says Society of Lloyd's prevented the successful recovery of his scooter so should be liable for his losses anyway. He was initially told the scooter had been recovered the next day by the police, but then found his licence plate had been switched with another motorcycle and his was still missing. Mr M thinks Society of Lloyd's could've found this out sooner and delayed trying to collect it, which also meant the theft marker was removed from his scooter for longer than it should've been. He also thinks it should compensate him for the unreasonable amount of time and effort he's spent on his claim.

Our investigator didn't uphold Mr M's complaint. She didn't think Society of Lloyd's treated Mr M unfairly when declining his claim and she didn't think it caused any issues with the potential recovery of the scooter.

Mr M disagreed. He didn't think the investigator considered the fact that he only left the scooter because he believed it to be an emergency situation. He feels the outcome is contrary to our website and case law about mitigating circumstances.

my findings

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

Mr M's insurance policy says it won't cover loss or damage to a motorcycle by theft if:

- *"it has been left unlocked*
- *it has been left with the keys in it or on it*
- *you have not taken reasonable precautions to protect it."*

While this term isn't unusual, it is significant. So I would expect the insurer to have drawn Mr M's attention to it when he bought the policy. Having looked at the policy documentation, I think it did. I say this because the first page of the key facts document says cover won't be provided in these circumstances. So I'm satisfied the exclusion was sufficiently prominent at the point of sale.

It's not in dispute that Mr M left the scooter running, on the side of a public road, with the keys in the ignition. And, while Mr M says he was only three metres away, he also says he went through the front gate and panelled fence that surrounds the front door and garden of his daughter's home (albeit he says the gate was left open).

Mr M says the thief would've been able to hear him and his daughter. But, weighing everything up, I'm satisfied he wasn't close enough to the scooter to deter the theft or make it unlikely. He left the engine running, which made it particularly vulnerable to theft. And by the time he heard the revs of his scooter pick up and ran back out the front gate, he was too late to intervene. Mr M's policy is clear that cover won't be provided in this situation.

The key issue I need to decide here is whether I think it's fair for the insurer to apply the exclusion at all, given Mr M says he left the scooter because he thought there was an emergency.

I know Mr M wanted Society of Lloyd's to provide further call recordings and statements to support his version of events. But I don't think I need these, given I've considered all the circumstances of the incident as described by Mr M in his submissions to us.

Mr M says he waited next to his running scooter for his daughter, as she wasn't ready when he arrived to collect her. He says he then heard his daughter yelp and objects hit the ground near the front door so he immediately ran through the front gate to her aid, thinking she'd fallen and was badly hurt.

Fortunately, his daughter hadn't tripped over but he says he found her in an uncharacteristic temper because she was frustrated by her shoelaces. He still feels the situation required immediate attention to calm her down. So he removed his helmet and gloves and started helping her with her shoelaces. The scooter was then stolen. Mr M feels he acted reasonably as a parent in a presumed emergency.

While there may be some emergency situations in which it would be fair to say the insurer shouldn't apply a certain exclusion, I don't think I can say this here. I understand Mr M must've been worried about his daughter and I appreciate he says he acted on instinct. But I also think he had other options available to him at the time.

As soon as Mr M saw his daughter on the front doorstep and knew she hadn't fallen and wasn't hurt as he'd feared, I think he could've returned to the running scooter at that point. So it seems to me he still could've taken reasonable precautions to protect his scooter in the circumstances. And, therefore, I still think it was reasonable for Society of Lloyd's to apply the exclusion in this case.

I know Mr M also feels Society of Lloyd's prevented the successful recovery of his scooter. But I'm satisfied it was only acting on information given to it by third parties and couldn't have done more to recognise that the scooter in the compound wasn't his. And I don't think it caused any unreasonable delays. I also can't say Mr M's scooter would've definitely been recovered in any event – especially as it no longer had the correct licence plates.

I acknowledge Mr M's strength of feeling about the time and effort he's put into this. But I don't think Society of Lloyd's did anything wrong when handling the claim or that it caused him any unnecessary inconvenience, above what is ordinarily experienced when dealing with a theft claim. So I won't be asking it to pay him any compensation.

my final decision

For the reasons I've explained, I don't uphold Mr M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 24 May 2017.

Joanna Brown
ombudsman