

Complaint

Mr W complained because U K Insurance Limited (“UKI”) said it wouldn’t pay for some items of contents in settlement of a travel insurance claim.

Background

Mr W claimed for the theft of a number of items that were stolen while on holiday, with a total cost of approximately £4,000. UKI told him that it won’t pay for his motorcycle leathers and panniers because it considered them accessories to the motorcycle which are excluded under the policy. It also said it wouldn’t cover Mr W’s laptop, prescription glasses, sunglasses, and satnav as they were considered valuables that had been left in the motorcycle, which are also excluded under the policy.

Mr W knows there’s a personal possessions limit on his policy of £1,500, and thinks the claim should pay out up to that limit. He feels the policy is misleading because it covers motorcycling providing the rider is wearing the relevant safety equipment, but then doesn’t cover that equipment.

Our investigator thought the complaint should be upheld in part. As the motorcycle leathers shouldn’t reasonably be considered a motorcycle accessory, he thought this should be covered by the policy. But all other personal items were excluded under the terms of the policy, so were correctly declined as part of the claim.

Neither Mr W nor UKI agreed with our investigator. Mr W felt he should receive £1,500 because this was the maximum UKI would pay under the policy. UKI said it would have to change the policy terms and conditions if the complaint was to be settled using our investigator’s logic.

My findings

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

Under the section “what you are not covered for” the policy says:

Pedal cycles, motor vehicles, caravans, trailers, camping equipment or parts or accessories of any of them,

and

Valuables left in a motor vehicle or motor home.

The terms and conditions of the policy don’t define ‘accessory’ so I’ve taken what I consider its ordinary meaning to be in determining whether or not the leathers and panniers should be considered accessories. In my view, an accessory is something that can be added to something else in order to make it more useful, versatile or attractive.

With regards to the pannier, it’s attached to the motorcycle for storage. So it’s added to the motorcycle to be able to hold more luggage, making the motorcycle more useful. So I consider this to be an accessory, and not covered by the policy.

The motorcycle leathers don't attach to the vehicle and do not make it more useful, versatile or attractive. Whilst they're useful for the safety of the motorcycle rider, and may well be considered an accessory to a motorcyclist, I don't think it's a fair interpretation to consider them an accessory for the motorcycle itself. And as the policy doesn't exclude general accessories, I don't think this should be excluded under the terms of the policy.

The laptop, both pairs of glasses and satnav are specifically referred to in the policy definition of valuables. These valuables were left in the motorcycle when it was taken. So it's fair to exclude these from cover under the policy.

Whilst the motorcycle leathers were also left in the motorcycle, they're not included under the definition of valuables in the policy terms. So it wouldn't be fair for UKI to exclude these from the claim, based on the same exclusion.

I realise the maximum cover under the policy is for £1,500. But that doesn't mean UKI has to pay up to this figure for items that aren't actually covered by the policy.

My final decision

I uphold this complaint in part. I require U K Insurance Limited to settle Mr W's claim for the motorcycle leathers, without restricting its liability by relying on the above clauses.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 18 August 2019.

Paul Daniel
Ombudsman