

complaint

Mr M is unhappy that Markerstudy Insurance Company Limited has declined a claim on his motorcycle insurance policy.

background

Mr M's motorcycle was stolen from outside his house while he says he'd gone inside for a few minutes to close and lock the garage door before going on a journey on it. The garage could only be locked from inside the house and Mr M therefore had to leave the motorcycle unattended briefly to do this.

Markerstudy said in its final response that it had declined to deal with Mr M's claim as he had a garaging endorsement on his policy which required him to keep his vehicle in a locked garage at his home. And if a theft occurred within a radius of 500 metres of it and the vehicle wasn't locked the claim wouldn't be paid. The policy also said it doesn't cover a theft when the motor cycle was left unlocked or reasonable precautions hadn't been taken to protect it. Here the motorcycle was out of the garage and ready to go out. The steering lock was disengaged. When Mr M went back into the house to close and lock the garage door from the inside it was stolen in a five minute period. It's therefore declined the claim.

Our investigator felt this complaint should be upheld. She said:

- Mr M's policy had a garage endorsement and he'd agreed to keep his motorcycle in the private locked garage at his home. The policy also said it wouldn't pay out if it was stolen within a radius of 500 meters when it was unlocked. But the restriction didn't apply whilst it was parked away from his home during the course of a journey.
- Mr M clearly kept his motorcycle in his private locked garage. But as the garage door could only be double locked from the inside he didn't have any alternative other than to temporarily leave it in front of the garage door. As the theft occurred while Mr M was in the process of taking his motorcycle out of the garage it isn't fair to decline his claim based on this garage endorsement.
- The policy also says it doesn't cover theft where the motorcycle is left unlocked or reasonable precautions haven't been taken to protect it. But Markerstudy hasn't defined "reasonable precautions".
- Mr M says he didn't engage the steering lock but he hadn't left the keys in the motorcycle or in its immediate proximity. Mr M says he left it for a maximum of five minutes; it was directly in front of the garage door and several yards from the street in a quiet residential area. And neither he nor his wife had ever had any issue leaving their bikes like this before. Mr M didn't believe there was a risk of theft and Markerstudy hasn't shown he failed to take reasonable precautions.
- As a result Markerstudy should reconsider the claim in accordance with the remaining policy terms and conditions.

Markerstudy doesn't agree. It says the point here is that Mr M left the bike without engaging the steering lock. If he'd done so it would've been more difficult to take the bike and at very least this would've been a deterrent. And the fact the area is said to be a quiet residential

area could be more reason to believe the bike was left for longer than the five minutes Mr M suggests.

Mr M and his representative accept the investigator's view.

my findings

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

I agree with the investigator that Mr M clearly kept his motorcycle in a locked garage as required by the policy. And on the day in question I think he had started a journey by getting it out of the garage.

In order to double lock his garage Mr M had to go back into the house and engage a lock from the inside. This lock and procedure were designed to make it more difficult for the garage to be broken into from the outside and to protect another motorcycle and other items stored inside the garage.

Mr M says he left his motorcycle outside the garage for at most five minutes before he became aware of the theft. Markerstudy suggests that as this was perceived to be a quiet residential area it was likely it was left for longer than is suggested. But there's no evidence this was the case.

Markerstudy also says Mr M didn't engage the motorcycle's steering lock. That is accepted by Mr M but I haven't seen anything to suggest that engaging it would've actually prevented the theft. For example the motorcycle could've been uplifted with the steering lock engaged.

Mr M was also required to take reasonable precautions to protect the motorcycle. What these are isn't defined by Markerstudy. Here Mr M had effectively started his journey, was only leaving his motorcycle very briefly, took the keys with him and didn't leave them in or near his motorcycle and didn't perceive any risk of its theft. As a result I think he took reasonable precautions to protect his motorcycle.

Although I understand the points Markerstudy has raised I don't think it's shown on balance on the available evidence that it is reasonable for it to decline Mr M's claim as it's done.

Consequently I agree with the investigator that in the particular circumstances of this case it's fair and reasonable for Markerstudy to now consider Mr M's claim in line with the remaining policy terms, conditions and limits.

my final decision

I uphold this complaint. To put things right Markerstudy Insurance Company Limited should now consider Mr M's claim in line with the remaining policy terms, conditions and limits.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 6 December 2019.

Stephen Cooper
ombudsman