

## The complaint

Miss F has complained that U K Insurance Limited (UKI) unfairly declined a claim for a stolen bike under her home contents policy.

## What happened

Miss F contacted UKI to make a claim when her partner's bike was stolen from the garage for the apartment block she lived in. UKI initially accepted the claim, but a short time later it told Miss F it wasn't covered by the policy. It said she needed Personal Possessions cover as the bike was outside of her home.

When Miss F complained, UKI maintained its decision to decline the claim. So, Miss F complained to this service. Our investigator upheld the complaint. She said the bike was in a garage. The term "*garage*" wasn't defined in the policy and so the policy term was unclear. She said Miss F had a valid claim when the policy definition for home was applied and the claim should be covered under the policy.

As UKI didn't agree, the complaint was referred to me.

## 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 uphold this complaint. I will explain why.

The bike was stolen from a secure garage located under the apartment block Miss F lived in, which was for the use of its residents. UKI declined the claim because it said this wasn't part of Miss F's home and she therefore needed cover for items left outside.

The policy provided cover for "*theft or attempted theft from your home*" The policy defined "*Home*" as:

*"The main residence occupied by you, at the address shown in your schedule, including its domestic garages and outbuildings."*

The policy doesn't define the term "*garage*". So, looking at the dictionary, this describes a garage as a "*Building or shed for storage of motor vehicles*". The bike was stolen from an area where block residents parked motor vehicles. The term "*domestic*" also isn't defined in the policy. The garage wasn't used for commercial purposes. So, I think it can reasonably be interpreted as for domestic use.

I'm aware that UKI has said that if Miss F had a garage, she would have sole access to it and bear full responsibility for its security. UKI also said the bike was in a communal car park underneath the building, it wasn't attached to her main dwelling and that other people had access to it. But the policy didn't define a garage and it made no reference to personal versus communal use. I don't think Miss F could reasonably be expected to know that each

of the issues UKI has described needed to be met in order to meet the terms of the policy. It was a secure garage under the block Miss F lived in and she had her own car parking space, which she paid for. UKI has also said Miss F needed Personal Possessions cover for the claim to be covered. But I don't think this was clear from the wording of the policy either.

Thinking about this carefully, I don't think it was reasonable for UKI to decline the claim. I think the policy wording can reasonably be interpreted as providing cover for the circumstances in which the bike was stolen. Although UKI might not have intended Miss F's circumstances, based on the wording of the policy, I don't think the policy made this clear.

### **Putting things right**

As a result, UKI should deal with the claim on the basis that it falls within the definition of "*home*", including its "*domestic garages*" as described by the policy.

### **My final decision**

For the reasons I have given, it is my final decision that this complaint is upheld. I require UK Insurance Limited to deal with the claim on the basis that the bike was stolen from a "*domestic garage*" as referred to in the policy.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss F to accept or reject my decision before 21 November 2022.

Louise O'Sullivan  
**Ombudsman**