

The complaint

Mr G is unhappy AWP P&C SA turned down a claim he made on his cycle insurance policy.

What happened

In February 2023 Mr G claimed on his cycle insurance policy following the theft of two bikes with a total value of around £11,500. He said the bikes had been secured to a street sign with locks meeting the policy terms (a 'D lock' and a chain lock). And, as those locks remained intact, he thought the thief must have cut through the frame and rear wheels of the bikes in order to remove them. AWP turned down the claim. It didn't think the bikes could have been locked in the way Mr G described and so didn't think the security requirements of the policy had been met.

Mr G provided further information and AWP appear to have accepted the bikes could have been locked as he described. But it didn't think it likely the frames had been cut in the way he'd suggested. Photos from the scene didn't show any evidence of debris. And the chain lock Mr G said had been used wasn't in the photo. It thought it was more likely the bikes had been secured through the frame with a looped cable (which the photo showed had been cut) and that was attached to the 'D lock'. That didn't meet the security conditions of the policy.

Our investigator upheld the complaint. He thought Mr G had been consistent in his description of how the locks were attached to the bikes. And it now seemed to be accepted they could have been attached in that way. He accepted those locks were undamaged in the photos Mr G sent but didn't think that was enough to decline the claim. He thought Mr G had provided a credible explanation as to how the bikes could have been stolen without damaging the locks. He thought weather conditions could have dispersed any debris from the frames being cut. Or the time of day might mean it wasn't possible to see this.

AWP didn't agree. It highlighted again that in the photos Mr G supplied there was no evidence of the chain lock which he said had been used to secure one of the bikes. And in his report of the claim he'd said both bikes were secured with a 'D lock'. It thought if the frames and wheels had been cut there would have been a considerable amount of debris and weather conditions on the day meant this was unlikely to have dispersed. It thought a more likely explanation for the theft was the cable had been looped through both bikes and attached to the road sign using the 'D lock'.

Mr G also provided some further comments. He said the cable was used to secure the wheels of the bike and that could only be done by using another lock. And he said either of the approved locks were big enough to secure both bikes through the frame to the street sign and queried why he wouldn't have done that.

I reached a provisional decision on the complaint last month. In summary I said:

I've looked first at the terms and conditions of Mr G's policy. For cover to be available for his claim it needs to fall within one of the insured incidents set out in his policy. And the policy does cover theft away from an insured location. But that only applies if "your pedal cycle is locked to an immovable object through the frame with an approved lock for less than 12 consecutive hours". As that forms part of the definition of an insured incident the onus is on Mr G to show his claim falls within that.

Looking at the definitions the policy contains, I think it's accepted the street sign Mr G says his bikes were secured to would meet the definition of an immovable object. The policy also contains a definition of approved lock. Again I don't think it's in dispute that both the 'D lock' and chain lock Mr G says were used would meet that definition. But the policy makes clear that "Accessory cables supplied with D-locks are not approved locks, and must not be used to secure your pedal cycle to an immovable object".

I don't think there's any question in this case a theft occurred. Mr G's position is the bikes were each secured to the street sign through the frame with the 'D lock' and chain lock. And the cable was looped through the wheels to secure them and then attached to the 'D lock'. I've looked at the diagrams and other information supplied and I accept it would have been possible to secure the bikes in that way. I also think doing so would meet the terms of the policy. So the question is whether Mr G has shown, on balance, that's how the bikes were secured in this case.

AWP has suggested he's been inconsistent in the information provided because in his claim notification he said the bikes were secured with two 'D lock's (rather than a 'D lock' and a chain lock). That's true but Mr G then gave the make of both locks which correspond to a 'D lock' and a chain lock. So I don't place weight on this inconsistency.

I've also listened to a call AWP had with Mr G's friend whose name he gave as a witness. However, I don't think it assists in relation to the issue of how the bikes were secured. His friend doesn't make any mention of this and it's not clear that's something he was aware of because he references meeting Mr G in the pub opposite where the bikes were left.

What I think is more relevant is that in the photograph Mr G took after the theft occurred only the 'D lock' can be seen attached to a leg of the street sign. I think AWP are right to say that if the theft had occurred as Mr G described the chain lock would be attached to the other leg. Our investigator asked Mr G if he could say why it wasn't. He said the only explanation he could offer was that he must have removed it and put it in his rucksack. He was confused and angry about what happened and didn't realise he'd need to prove both locks were present.

I understand this would have been a stressful situation for Mr G. And he may not have appreciated the significance of these photographs for his claim. Nevertheless, he says the photographs were taken within five minutes of finding out about the theft. So I think they represent the best available evidence as to the position at that time. And they don't show a chain lock was used to secure the bikes.

Mr G has suggested that could have been because it was in his rucksack but he doesn't seem to have a clear recollection of whether that was actually the case. I do understand he's trying to recall an incident which took place over a year ago but I don't think the inconsistencies in relation to this help his argument.

In addition, while I think it's possible the bikes could have been stolen in the way he describes, it does appear that to do so the thief would have needed to cut through both of their frames (and wheels) in order to remove them. I think it's likely that would have caused a reasonably significant amount of debris and that simply isn't apparent in the photographs from the scene.

I acknowledge weather conditions could have caused that to disperse but from the information AWP has supplied it doesn't appear to have been a particularly windy day. The ground in the photographs is also dry which suggests there hadn't been any significant rainfall. And Mr G says he was only away from the bikes for around 90 minutes. I think it's unlikely that, given weather condition at the time, all evidence of the bikes being cut would have dissipated in that timeframe. And the area appears well lit from the photographs so I think if debris had been present it would have been apparent in them.

What does match with the photographic evidence is AWP's suggestion that the cable was looped through the frames and then secured to the 'D lock' (which could be because Mr G didn't have the chain lock with him). That cable is still attached to the 'D lock' in the photographs but has been cut. If the bikes were secured in that way it would explain how the thief was able to steal the bikes without cutting the frames and why the 'D lock' was still attached to the street sign. And if that's how the bikes were secured that wouldn't meet the definition of an insured event in the policy.

Mr G has questioned why, if he was using the 'D lock', he wouldn't have used that to lock the bike through the frame. But it's not clear he could have done that while also attaching it to a cable looped through the frame of the other bike. I'm also mindful of the fact that, as Mr G has said, there was only a very short distance between the pub where he was meeting friends and the location of the bikes (the other side of the road). He says that made him think the bike's location was a safe place. I think it's possible he may have therefore locked the bikes in a way he wouldn't have done in an environment which felt less secure.

Nevertheless, I do accept that exactly how the bikes were stolen is unclear. And it is possible they were secured as Mr G has described. But the question I need to consider is whether he's shown that was most likely the case – and so whether AWP has fairly declined the claim he made. And there are inconsistencies between what he recalls and the photographs from the time. There's also a lack of evidence to support his alternative explanation as to how the bikes were stolen. Given all that I don't think AWP acted unfairly in concluding Mr G hadn't shown an insured event had taken place and declining his claim on that basis. I'm sorry to bring him what I do appreciate will be very disappointing news.

Responses to my provisional decision

AWP didn't respond. Mr G did provide further comments. In summary he said:

- When carrying out its investigation AWP had only spoken to one of the witnesses he provided. It hadn't contacted his partner who would have confirmed the bikes were locked as he described (and she was still willing to do so).
- He didn't agree cutting through the frame of the bikes in order to remove them would create a significant amount of debris as AWP had suggested. And he provided videos of him sawing through the frames of similar carbon fibre bikes to demonstrate the very small amount of debris that left which could easily be dispersed in a breeze.
- He didn't accept he'd been complacent in locking the bikes and said finding somewhere well lit with reasonable footfall was the bare minimum when choosing a location to secure bikes and wouldn't have led him to cut corners with other safety requirements.

So I need to reach a final 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.

I've reviewed the clips Mr G provided which show him cutting the frames of what I understand are bikes similar to the ones stolen. This does produce some debris but it is limited and I appreciate might have dispersed relatively easily. And while to steal the bikes I think a thief would also needed to have cut through the wheels I accept debris from that could be similar. So I appreciate not being able to see debris in the photographs Mr G provided doesn't in itself mean the bikes weren't stolen in the way he thinks.

But to meet the terms of the policy they would still need to have been secured with the 'D lock' and chain lock. And the best available evidence from the time (the photographs Mr G took minutes after finding the loss had taken place) don't support his recollection. As I set out in my provisional decision they show the 'D lock' on one leg of the street sign but the chain lock isn't present on the other which it should be if been used in the way Mr G describes. I can see AWP did raise this in correspondence with Mr G but he didn't provide comment on it at the time.

And as the security requirements form part of the definition of an insured event set out in the policy it is for Mr G to show, on balance, that his claim falls within that. I do accept that it's possible the bikes were secured as he recalls. But there is a significant inconsistency between what he says happened and the photographs from the time which Mr G hasn't made further comment on.

Mr G did say he wouldn't have been complacent in relation to securing the bikes (which he thought I'd suggested in my provisional decision). I don't think I did suggest that. I said given there was a short distance between the pub where he was meeting friends and the location of the bikes (the other side of the road) it's possible he assessed the risk differently to how he might have done in an environment which felt less secure. That remains my view.

And while the video evidence he's provided does provide some support to his argument about debris it doesn't change the position on whether the bikes were secured as he says. Taking all of that into account, and on balance, I don't think AWP acted unfairly in declining Mr G's claim on the basis he hadn't shown an insured event had taken place.

Mr G also says AWP didn't carry out a proper investigation because it didn't speak to his partner who was a witness to what happened. I understand why he feels it should have done. However, I don't think that's an issue which impacts the outcome of this complaint. I've no reason to doubt his partner would have supported his recollection. But AWP would still need to have considered that alongside the other evidence. And for the reasons I've already set out I think it would have been entitled to conclude Mr G hadn't shown the security requirements in the policy had been met (and so an insured event hadn't taken place).

My final decision

I've decided not to uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 31 May 2024.

James Park
Ombudsman