

The complaint

Mr M has complained after Society of Lloyd's (Lloyd's) rejected the claim he made under his motor insurance policy.

What happened

In September 2019, Mr M's motorhome was damaged overnight, with items reportedly stolen from it. He made a claim on his motor insurance policy, but Lloyd's declined it. It said the motorhome hadn't been parked in a locked garage or building, and there was an endorsement on this policy relating to the location of the motorhome overnight.

Mr M complained and said whilst the motorhome wasn't in his garage, it was waiting outside a local mechanics for an MOT. He didn't think Lloyd's were applying the endorsement fairly. Lloyd's didn't agree to change its position and during the investigation noted the motorhome had been outside the mechanics for longer than one night.

They also noted that it had been left at a different address to the one given at inception (so charged an increased retrospective premium). They also said they wouldn't have covered the motorhome had it been made clear it was being stored overnight ungaraged. They gave a notice of cancellation, but Mr M cancelled his policy and was given a pro-rata refund of premiums. Mr M referred his complaint to our Service for an independent review.

Our Investigator thought Lloyd's had acted reasonably in declining the claim. He said the endorsement hadn't been adhered to and even though Mr M had dropped the motorhome to await an MOT, it didn't negate the need for it to be garaged.

Mr M asked for an Ombudsman to consider matters. Making the following points in reply:

- Whilst he was aware of the endorsement, he didn't think it was fair. He had left the motorhome keys and responsibility of storage with the mechanics. He had no option and he was under the impression it was going to be taken straight into the shop the following day.
- He suggested he wasn't claiming for damage done after 10pm (when the endorsement kicked in)
- He maintained it had been in regular storage since inception.
- The motorhome was in the care of the garage and so he couldn't comply with the endorsement.

As Mr M requested an Ombudsman to review matters, it has come to me to decide.

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 agree with the outcome reached by the Investigator. I'll explain why.

The relevant endorsement

Unfortunately, due to the amount of time that has passed, neither party has been able to provide me with the policy information. However, Lloyd's have provided me with evidence that a garaging endorsement was applied and given me a copy of it. Mr M hasn't disputed that the endorsement applied and has confirmed he was aware of it. Therefore, on balance I'm satisfied the relevant endorsement was in operation here.

The endorsement stated an exclusion for *"loss of or damage to your vehicle unless your vehicle is kept in a securely locked garage (as defined in the policy document) between the hours of 10:00pm and 6:00am. This restriction does not apply when you are in the course of a journey or are staying overnight in attendance with the vehicle away from your home address and/or declared garaging address"*.

The claim decline

I've considered how the claim was initially presented (outside the mechanics for one night) and the later information from Mr M that the motorhome was parked on a street (ungaraged) for *"over a week and a half"* prior to becoming aware of the damage and loss. I am therefore satisfied that the endorsement applies.

Mr M however, has said it isn't fair to apply it. He said that he'd given the keys and responsibility of the security of the motorhome to the mechanics and had been expecting it to have been taken into their shop first thing in the morning. Whilst I appreciate this was the case and there was a delay through no fault of Mr M's, I am satisfied that it remained Mr M's responsibility to adhere to the endorsement and he should have been aware that Lloyd's may decline any claim if he didn't do so. I therefore also find that Lloyd's are applying the endorsement fairly.

Mr M has argued that he wouldn't claim for damage or stolen items that occurred during the hours of 10pm and 6am. However, I haven't seen any further evidence that shows what time either occurred. Further, the endorsement excludes any claims where the terms aren't being adhered to. It doesn't allow for claims outside of those hours.

In summary, I think the garaging endorsement applies here and that Lloyd's are applying it fairly in declining the claim.

The policy cancellation

Although not the main complaint point presented to our Service by Mr M, Lloyd's have said they wouldn't have provided cover for Mr M from inception, if they had known the details they know now. This is namely that the motorhome was parked on the street at times (albeit attended) and that it was stored in a shared storage facility. They pointed to the definition of *'garage'* in the terms and conditions, which states it needs to be private property and *"not a communal parking facility"*.

They gave a notice of cancellation, but allowed Mr M to cancel the policy himself. Avoiding any recording detriment or issues regarding a separate 2019 claim they accepted. I think Lloyd's have acted fairly and positively here as allowing him to cancel means he wouldn't have an insurer led cancellation recorded against his record.

Summary

Lloyds can fairly rely on the relevant endorsement to decline this claim. Mr M may be able to pursue the garage he'd entrusted care of his motorhome to and I note he's already begun this action. This link gives more information: <https://www.gov.uk/guidance/mot-testing-guide/appendix-4-liability-for-loss-or-damage>.

It was fair of Lloyds to allow Mr M to make a customer led cancellation.

My decision will disappoint Mr M, but it brings to an end our Service's involvement in trying to informally resolve his dispute with Lloyds.

My final decision

My final decision, is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 25 April 2025.

Yoni Smith
Ombudsman