

## **The complaint**

Mr S complained to Tesco Underwriting Limited (Tesco) about the terms of the cover he added to his home contents policy.

## **What happened**

Mr S had a home contents policy with Tesco. He added family legal cover and bicycle cover to the policy. He complained to Tesco because he wanted any claims under the bicycle cover to be treated in the same way as the family legal cover, so that any claims didn't affect the renewal premium.

When Tesco replied, it didn't uphold the complaint. It said a claim under the bicycle cover would be a contents claim and therefore subject to the voluntary excess Mr S had set. If Mr S made a claim, the excess would be payable, there would be a deduction in the No Claims Discount and this could in turn impact the renewal premium.

Mr S complained to this Service. Our Investigator didn't uphold the complaint. She said the bicycle cover was part of the contents cover. So, it was fair for Tesco to say it would be treated the same way as other contents claims.

As Mr S 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 don't uphold this complaint. I will explain why.

Mr S bought an insurance policy. In addition to the standard contents cover, he added bicycle cover and family legal cover. Mr S complained to Tesco because he wanted any claim under the bicycle cover not to affect his renewal premium.

Looking at the policy wording, it described the bicycle cover as "*Contents optional cover – Bicycles*". So, I think it was clear from this, and the other policy documents, that the bicycle cover was contents cover. Mr S added the contents optional cover for bicycles to his policy and selected a voluntary excess for any claims under this cover. The family legal cover wasn't part of the contents cover. It was an optional add-on to the policy and was underwritten by a different company.

Mr S wanted Tesco to treat any claims under the bicycle cover in the same way a legal cover claim would be dealt with, in that a claim wouldn't affect the renewal premium for the policy. But, I'm not persuaded Tesco needed to agree to this. The bicycle cover was part of the contents cover. Tesco was therefore entitled to say it would deal with any claims related to that cover as a contents claim. This meant the voluntary excess would be payable for any claims, it would be recorded as a contents claim and might affect future premiums. From

what I've seen, Tesco's position was in line with the policy terms and conditions. I also haven't seen anything to suggest it was treating Mr S differently to its other customers.

So, having thought about this complaint, I don't uphold it or require Tesco to do anything else in relation to it.

### **My final decision**

For the reasons I have given, it is my final decision that this complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 28 May 2025.

Louise O'Sullivan  
**Ombudsman**