

The complaint

Mr L complained about Zurich Insurance Company Ltd's ("Zurich") decision to decline his claim for the theft of his motorbike, under his motor insurance policy.

Mr L is represented by Ms T. I'll refer to Mr L in my decision for ease.

What happened

Mr L's motorbike was stolen in August 2024. He contacted Zurich to make a claim. But it declined to cover his loss. He was told this was because he hadn't complied with a garaging endorsement. Mr L said on the day of the theft he took his motorbike out the garage. He then had to return inside due to a health issue he suffers from. Prior to doing this he secured the motorbike with locks. When he returned the locks had been broken and the motorbike had been taken.

Mr L didn't think it was fair that Zurich declined his claim in these circumstances, so he complained.

In its final complaint response Zurich said Ms T advised the motorbike was locked in a 'shed' until Mr L removed it around 3.45am. She advised he'd then returned inside the house to finish getting ready. He went out to the motorbike around 5am. Zurich said this meant Mr L hadn't met the garaging endorsement of his policy. This was because the motorbike was stolen from the driveway of his home when it was expected to be locked away in a garage.

Mr L didn't agree with Zurich's response and referred the matter to our service. One of our investigator's looked into his complaint but he didn't uphold it. He said the garaging requirement was made clear in the policy documentation. This was also made clear during a phone call with Ms T prior to the theft. He said that as the motorbike was outside and not locked away when the theft occurred, Zurich had fairly declined the claim.

Mr L didn't accept our investigator's findings and asked for an ombudsman to consider his complaint.

It has been passed 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'm not upholding Mr L's complaint. I'm very sorry for the loss he's incurred. I understand that this must be very upsetting for him. But I'll explain why I think my decision is fair.

It's for Mr L to show that he's suffered an insured loss. If he can then, generally speaking Zurich should pay the claim. This is unless it can reasonably rely on a policy exclusion not to. I've focused on what this means here.

I can see from Mr L's policy schedule that it includes the following endorsement:

"Garaged Vehicles

Notwithstanding anything herein to the contrary it is agreed that Underwriters will not pay for any claim for loss of or damage to the insured motorcycle when it is parked at the insured's place of residence and/or the declared garaging address unless the motorcycle is kept in a properly constructed and locked building as detailed to and agreed by Underwriters."

The Insurance Product Information Document (IPID) said:

"Are there any restrictions on cover?

Loss or Damage in respect of theft or attempted theft of your vehicle may be excluded unless your vehicle is kept as you declared at the inception or renewal or following a change of address."

Page 14 of Mr L's policy booklet states:

"Please note that an endorsement may apply to this policy regarding the storage of your vehicle whilst at the declared parking address (your policy schedule will confirm if such an endorsement applies). If your policy schedule contains such an endorsement and it is not complied with then this policy will not cover your vehicle for any loss or damage."

I think the endorsement and policy terms are clearly worded. Mr L's motorbike must be kept garaged when at his home address for it to be covered for a loss due to theft.

I note Mr L's comments that he can't find the garaging clause in his policy documents. But having read the documents this information is clearly stated in his policy schedule, and this is also referenced in his IPID and policy booklet. If he didn't receive this information, I think it's reasonable that he would have requested copies. I haven't seen evidence to show that Mr L contacted Zurich to tell it he hadn't received this information.

I've listened to the call recording when Mr L first reported his loss. He gives authority for Ms T to speak on his behalf. Ms T tells Zurich's agent that Mr L took his motorbike out of the 'shed' and returned inside to finish getting ready. She confirmed he was in the house for up to an hour and a half. He then went outside at 5am and found the motorbike was missing with the locks left broken.

In his submissions to our service, I note Mr L refers to having only left his motorbike for 20 to 30 minutes whilst he went inside his house. But this isn't what Ms T said during the initial claim call. Mr L was within earshot of the call and can be heard providing information to Ms T for her to relay to Zurich's agent. Based on this evidence I think it was reasonable for Zurich to rely on the information provided during the initial claim call.

I've thought carefully about whether it was fair and reasonable for Zurich to rely on the garaging endorsement in these circumstances to decline Mr L's claim. I think it was. I say this because it has explained that the risk of motorbikes being stolen increases from locations where they are seen arriving and leaving regularly e.g. the insured's home. In addition, it has explained that motorbikes are stolen with relative ease and are therefore subject to opportunistic theft. This is why its underwriters require motorbikes to be kept in garages or similar structures. From what I've read, and listened to, the fact that Mr L's motorbike wasn't garaged at the time of the theft means this was material to the loss. Had it been garaged it would not have been observable to an opportunistic thief. And it would have

been harder for a thief to get access to.

I acknowledge Mr L has referred to health issues that meant he had to go back inside the house. However, this isn't the reason Ms T gave for him returning to the house. But from the testimony provided he left his motorbike outside for up to an hour and a half. He could have re-garaged the motorbike instead of locking it on the driveway. Or alternatively left it locked away until he was ready to start his journey. Either way I don't think Mr L complied with the garaging endorsement. This was material impact to the loss, so I don't think Zurich treated him unfairly when declining his claim.

I'm very sorry to hear of the difficult time Mr L has gone through. And I'm sorry that he'll be disappointed with my decision. But I don't think Zurich acted unfairly when it relied on its garaging endorsement to decline his claim in these circumstances. So, I can't reasonably ask it to do anymore.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 17 August 2025.

Mike Waldron
Ombudsman