

## **The complaint**

Mr A complains that West Bay Insurance Plc (West Bay) unfairly declined a claim he made on a motor insurance policy.

Mr A is the named policyholder for the insurance policy, and so he refers the complaint to our service. The majority of the contact with both West Bay and our service has been with a named driver on the insurance policy, Ms O. Where I refer to Mr A within this decision, this should be taken to include, and also refer to, Ms O where relevant.

## **What happened**

Mr A held a motor insurance policy for his car which was underwritten by West Bay. In December 2023 he contacted West Bay to say his car had been stolen in July 2023. In May 2024, West Bay declined cover for the claim, saying the car had been seized, not stolen.

Mr A had complained to West Bay about the handling of the claim, and that a courtesy car hadn't been provided during the course of the claim. He referred that complaint to our service, and was also unhappy about the decision not to cover the claim. West Bay had offered £75 compensation in recognition of elements of poor service during the claim.

Our investigator thought West Bay's decision not to cover Mr A's claim was fair. He also thought the compensation awarded was reasonable. Mr A didn't agree and asked for an ombudsman's 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'm aware how strongly Mr A feels that his claim for the "theft" of his car should be accepted by West Bay, and that he believes the circumstances of what happened means his car was stolen. It isn't disputed that Mr A's policy provided cover for "theft" of (or from) the car. The policy terms and conditions don't include any further definition of "theft," and so in making my decision I need to consider the ordinary and normal meaning of "theft" and how it applies to Mr A's claim.

I accept that the circumstances of what happened here are unusual. It seems to be accepted that a penalty notice was issued against the car and that the vehicle was removed from outside Mr A's home. I've seen photos showing the car had been clamped and a notice attached to the car before its removal.

It's also accepted that Mr A reported the matter to the police, who established that the car had been removed by agents acting on behalf of the council who'd issued the penalty notice. The police therefore considered the removal of the car to be a civil matter, rather than a criminal offence.

I know that Mr A disputes the validity of the penalty notice, but our role isn't to consider

whether this was correctly issued. I accept that the car was removed due to non-payment of the penalty notice. It seems to me that I need to therefore determine whether that amounts to a "theft."

I've started by looking at the Theft Act 1968 as this is legislation which sets out the offence of "theft" and so it follows that the definition of "theft" within Mr A's policy would be in line with this.

The act says "A person is guilty of theft if he dishonestly appropriates property belonging to another with the intention of permanently depriving the other of it," and expands on what is meant by "dishonestly" by saying a person is not dishonest "if he appropriates the property in the belief that he has in law the right to deprive the other of it, on behalf of himself or of a third person."

This is relevant here because I accept that the agent who removed Mr A's car was acting in the belief that they had the right to seize and remove Mr A's car, on behalf of the council which had issued the penalty notice, as the evidence suggests they'd been informed the related fine hadn't been paid. I think it's fair to say that this seems to be the position the police have taken, in determining that no criminal offence appeared to have been committed.

I'm further satisfied that any ordinary or normal meaning of "theft" would be in line with this. It wouldn't be reasonable to say that someone has committed a theft if they believed they had the right to seize and remove the property in question. Even if the penalty notice hadn't been issued correctly (which isn't something I can determine), that wouldn't change that the agent removing the car believed they had the right to remove it having been contracted to do so by the council which issued the notice.

Furthermore, I note the policy terms and conditions also say there's no cover for:

"Loss or damage to the insured vehicle as a result of:

1. Lawful repossession
2. Return to its rightful owner
3. Seizure by the police or their authorised representatives."

Even though the car wasn't seized by the police, it does seem to me that the intent of this exclusion is that the policy doesn't provide cover where the car has actually been seized or removed in relation to a penalty notice or a road traffic offence. That's in line with the provisions of the Theft Act 1968 which I've addressed above – where a car is seized in relation to an unpaid penalty notice, I don't think it's reasonable to describe that as a "theft."

So on balance, I think it's clear that the circumstances relating to the removal of Mr A's car don't amount to a "theft" by any reasonable definition, and the circumstances of what's happened fall within the exclusion I've outlined.

Mr A was also unhappy that a courtesy car wasn't provided by West Bay while the claim was being assessed. The terms and conditions of the policy say "If a valid claim is made under this policy, and the insured vehicle is to be repaired by one of our approved repairers, we will provide you with a courtesy car (subject to availability) for the duration of the repairs." The terms and conditions give further detail about when the courtesy car could be withdrawn (for example in the event of a damaged car being written off).

I think the policy terms and conditions are clear that a courtesy car is only provided where a repair of a damaged car is being carried out. That wasn't the case here, as Mr A's claim was for the theft of the car. There was no obligation on West Bay to provide a courtesy car in the circumstances given by Mr A, which was that the car had been stolen.

Finally, I note that the claim took a significant amount of time to be resolved. I know this was frustrating for Mr A, and he was (and remains) without his car or fund to purchase a replacement. However, I can see from the evidence provided that West Bay, having been provided information by Mr A, was seeking to validate the circumstances with the police which was a reasonable course of action in order to ascertain whether the policy provided suitable cover.

I'm satisfied that the £75 compensation offered by West Bay adequately compensates Mr A for any unnecessary or avoidable delays or poor service during the course of the claim. I understand he wanted the claim to be resolved sooner, and for it to be covered, but as I've said the decision to decline cover was fair and it was reasonable for West Bay to undertake enquiries in order to validate the claim.

### **My final decision**

I don't uphold Mr A's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 4 September 2025.

Ben Williams  
**Ombudsman**