

The complaint

Mr H has complained that Zurich Insurance Company Ltd unfairly and unreasonably refused to accept his claim for the theft of his bicycle under his bicycle insurance policy

What happened

Mr H insured his bike with Zurich on 1 March 2025. On 27 March 2025 he locked his bike outside his university accommodation and went to dinner. He said he locked his bike using two of the recommended locks. One to secure the wheel to the bike rack and another to secure the wheel to the frame of the bike. When he returned from dinner, the bike frame and rear wheel had been stolen leaving just the front wheel locked to the bike rack.

So he made a claim to Zurich. Following its investigation Zurich said it couldn't accept Mr H's claim as he hadn't locked his bike in the manner required. The policy required the bike to be locked through the frame to the bike rack, the bike rack being the required 'immoveable object'.

Mr H appealed saying the method on how he locked his bike was commonly done and he felt he had taken sufficient reasonable precautions. As Zurich wouldn't change its stance Mr H brought his complaint to us.

The investigator was of the view that Zurich hadn't done anything wrong. Mr H disagreed and so his complaint 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 this complaint. I do appreciate and understand Mr H will be very disappointed, so I'll now explain why.

The policy Mr H chose to buy to insure his bike is very clear on the method it requires its policyholders to lock their bikes with.

The policy says the following:

'6.2.2 THEFT AWAY FROM HOME COVER

...

You are covered for theft of your bicycle when left unattended in the open away from your home, or in a public storage location or communal storage location if it has been locked through the frame to an immovable object with a Sold Secure Gold Lock.

...

Not covered:-

...

- *Theft when your bicycle is left unattended away from your home and is not locked through the frame to an immovable object with a Sold Secure Gold Lock.'*

Mr H has admitted he didn't lock his bike in the manner required by the policy. Instead he locked the wheel to the bike rack and the frame to that wheel. This might have been in part due to the type of bike rack Mr H chose to lock his bike to that day.

Zurich has also shown that throughout the sales process Mr H went through to buy his policy, the locking requirements were properly highlighted by diagrams which were given to Mr H. So there isn't any question that he wasn't aware of the locking system to be used either.

Mr H argues that his method was a reasonable method and he was using the type of locks he was required to use. His bike couldn't have been stolen without dismantling or cutting through the lock.

Insurers are entitled by the regulations overseen by the Financial Conduct Authority to decide what sort of risks they want to cover and what sort of risks they don't want to cover. This is deemed part of their commercial discretion. Zurich specified the manner in which a bike needs to be locked before it would cover any theft claim. Consequently I don't have any authority to require it to accept any claim where that method of bike locking clearly wasn't used as that is encroaching on its right to choose what it has decided to insure. It may well be that Mr H's bike still might have been stolen using the locking method required by Zurich but at this stage that is just conjecture and doesn't take away from the fact that Mr H clearly admits he didn't use the method required by Zurich to lock his bike.

Mr H bought this policy on what is called a 'non-advised' basis, so in effect it was for him to read the policy documents to include the method of locking required to ensure the cover met his needs. The sales process detailed by Zurich does show that Mr H was made very aware of the locking process required also. Furthermore Mr H chose this particular bike rack to lock his bike to as well which I can see might have made the locking system required by Zurich to be more difficult. However given the locking method required by Zurich it was for Mr H to abide by that if he wanted the theft cover provided.

Consequently, there is nothing to show me that Zurich has not adhered to its own policy terms as it did in these circumstances by declining Mr H's claim. Therefore I consider that Zurich didn't do anything wrong here.

My final decision

So for these reasons, it's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 12 January 2026.

Rona Doyle
Ombudsman