

## **complaint**

Mr C says MCE Insurance Limited rejected a claim he made under his Laid Up Fire and Theft insurance policy following the theft of his motorbike.

## **background**

Mr C's policy required him to secure his motorbike to the floor of his garage with an approved ground anchor when not in use. When he spoke to MCE, that requirement was stated more than once. Mr C proposed an alternative, which he thought MCE had accepted. Mr C's motor bike was later stolen from his garage after a thief cut through the chain securing it to the ground security he'd put in place. MCE declined the claim.

Our adjudicator thought MCE had acted unreasonably. She thought during the call it wasn't made clear by MCE's advisor that Mr C's proposal about securing the motorbike to the ground wasn't acceptable. She thought it should consider the claim in line with other policy terms and conditions and pay Mr C compensation for the trouble and upset he'd had

As MCE disagreed, the complaint was passed to me for review.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I understand why MCE thought it was fair to decline the claim. The requirement to have a solid secure ground anchor at all times is made clear in the policy documents. During the two-part call between Mr C and MCE when he took the policy out, its advisor mentioned the required ground anchor several times. On the first two occasions, Mr C raised no objection. The third time it was mentioned, he made a proposal to the advisor about securing the bike to the floor in a different way. He asked if that would be suitable, and the advisor said yes. The advisor then added that there would still need to be a solid secure ground anchor.

Mr C believed he'd convinced the advisor that his proposal was suitable and didn't focus on what she said next. I think many consumers would have noted the additional comment and queried it. Mr C didn't. However, the advisor should have been aware Mr C was putting *alternative* proposals forward. That meant he wasn't actually agreeing to what the advisor had said. I think the advisor needed to make sure the situation was quite clear to him. The position was that if he didn't fit the required ground anchor, he'd have no cover. I don't think Mr C realised that his proposal wasn't acceptable or that he wouldn't be insured.

As the adjudicator's already pointed out, where we think there's room for doubt, we normally find in favour of a consumer. In this case, I think the advisor should have told Mr C plainly that his proposal *wasn't* suitable, and checked his understanding of that. Because he'd misunderstood the position, Mr C was very upset to find the claim had been declined, especially as he was still paying the finance for the missing motorbike. He also thought MCE should have taken note of the fact that the floor security he'd put in place hadn't failed. The thief cut through the chain attached to it.

I don't think the second point's relevant. Had MCE been clear when Mr C made his proposals that they weren't acceptable, it wouldn't have mattered how 'theft-proof' his floor

arrangements were. I think a moderate amount of compensation's payable because MCE's lack of clarity caused him inconvenience and some distress.

**my final decision**

My final decision is that I uphold this complaint. I require MCE Insurance Limited to do the following:

- Consider the claim, in accordance with other policy terms and conditions
- If a payment's made to Mr C, add interest at 8% simple per annum, from the date of his claim to the date of settlement
- Pay Mr C £250 compensation

Under the rules of the Financial Ombudsman Service, I am required to ask Mr C to accept or reject my decision before 9 November 2015.

Susan Ewins  
**ombudsman**