

## **The complaint**

Mr B complains that Watford Insurance Company Europe Limited unfairly declined a claim under his bicycle insurance policy.

Where I refer to Watford, this includes the actions of its agents and claims handlers for which it takes responsibility.

## **What happened**

Mr B's bike was stolen from outside his home, so he made a claim on his bicycle insurance policy.

Watford declined the claim on the basis that the bike wasn't stored in accordance with the policy terms at the time of the theft. This was because the bike was locked up in a communal garden to the flat block in which Mr B resides, which isn't an insured location.

Mr B disputes this. He says the garden is a private area accessible only to residents of the flats. As the policy doesn't define what is meant by a private garden, he doesn't think Watford has declined his claim fairly. He also says he told Watford where he was storing his bike when he called to change his address part way through his policy.

Mr B raised a complaint which he brought to our service. But our Investigator didn't uphold it as she's satisfied Watford has declined the claim in line with the policy terms. As Mr B doesn't agree, the 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.

Mr B's policy covers him for theft of his bike provided that it was left in an "insured location" defined as:

*Insured Location – where the bicycle is usually kept, which must also be your main place of residence and as described below:*

- *Private house - any location within the immediate private, property boundaries (e.g. directly connected private garden, building, shed or out-house) of the address stated in your Insurance Schedule.*
- *Flat, apartment, or shared houses - the self-contained rooms in which you live including any directly connected private balcony or directly connected private garden area, plus any internal communal hallways on the same floor level as your main place of residence.*
- *Communal cycle storage - a fully secure and enclosed residential compound specifically designed for parking bicycles; solely for the use of residents at*

*your insured location and only accessible through a key or access-code operated entrance or exit.*

*We also include holiday properties - any secure holiday home, caravan/motorhome, guesthouse room or hotel room being used by you as a temporary travel residence.*

My understanding, from the information provided by Mr B and Watford, is that the bike was locked to an iron gate in an area directly connected to the rear of the flat block. This area is accessible to all residents and appears to be a car park from the photographs provided, although I appreciate there are some grass areas.

I'm not persuaded this is a "directly connected private garden area" required by the policy. Firstly, because it's not predominantly a garden but rather a place for residents to park their vehicles. And secondly, because it's not a private garden for Mr B only.

I've thought about Mr B's argument that the policy terms are unclear. He says the policy doesn't define "private" and that he considers it to mean private property.

I accept the policy doesn't define this specific word. But the policy terms need to be read in full and in the context of the whole section. In the definition of "insured location" quoted above, the policy refers to different locations as either private or communal – i.e. a private balcony or garden, or a communal hallway or cycle store. No location is referred to as being both, so it's fair to say that private in this context is the opposite of communal.

For these reasons, I'm satisfied it was fair and reasonable for Watford to conclude that Mr B's bike wasn't stored in an insured location at the time of the theft.

I'm aware Mr B called Watford several months prior to the theft of his bike to change his address. On that call, Mr B was made aware of the requirements of how and where to store his bike in line with the policy terms. Mr B advised Watford he'd be storing the bike inside his flat. Had Mr B informed Watford that he was planning on securing the bike outside the flat in a parking / garden area, Watford would've had the opportunity to ask for further information and clarify that it wasn't an insured location.

### **My final decision**

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 14 November 2023.

Sheryl Sibley  
**Ombudsman**