

The complaint

Mr D, a sole trader, complains about the decision of Haven Insurance Company Limited to decline his vehicle theft insurance claim, made under a motor trade policy.

What happened

The following is intended only as a brief summary of events. Whilst other parties may have been involved, for the sake of simplicity I have just referred to Mr D and Haven.

Mr D operates largely as a vehicle recovery business, though he does also sell used vehicles. He had a motor trade policy, underwritten by Haven. The policy records Mr D's trade address as being his home address.

In January 2023, Mr D's vehicle was stolen. And he contacted Haven to claim. Haven's notes state that, when reporting the claim, Mr D said the vehicle was parked outside his address, and that he realised it had been stolen when checking the feed from his camera that shows "outside house".

Mr D's policy contains the following endorsement:

"MTC06: Trade Premises Exclusion

Notwithstanding anything to the contrary contained in this policy, the Insurer shall not be liable under Sections B or C in respect of loss of or damage to any Insured Vehicle owned by the policyholder or Customer Vehicle in the custody or control of the policyholder and for which the policyholder has accepted responsibility whilst such vehicles are on or parked within 100 metres of the trade premises as shown on the schedule..."

Section C relates to "Loss or damage to policyholder vehicles". On the basis of this exclusion, Haven declined the claim saying the loss of the policyholder's vehicle was within 100 metres of the trade premises. Mr D was unhappy with this, and when Haven did not change its stance, he referred his complaint to the Financial Ombudsman Service.

Our Investigator did not recommend his complaint be upheld though. She thought Haven had acted reasonably by considering the vehicle to have been parked within 100 metres of the trade premises, given the information Mr D had provided. And she thought that Haven had fairly and reasonably applied the endorsement above when declining the claim.

As Mr D remained unsatisfied, his complaint has been passed to me for a 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.

Having done so, I have come to the same outcome as our Investigator, largely for the same reasons.

Mr D has said that he had paid his premiums for years and feels his claim should be covered. However, the premium he has paid is for the cover the policy provides. As with all insurance, this policy does not provide cover for all circumstances. And it is the cover that this policy provides that determines if a claim should be met.

The endorsement above is listed in Mr D's policy schedule. The policy wording confirms that the policy, schedule, endorsements, and certificate of insurance should be read as though they are one document. So, I am satisfied that this endorsement formed part of the policy. And, as such, it determines in part the cover provided.

I consider that this endorsement is clear that where a claim is being made under Section C, for loss of the policyholder's own vehicle, there is no cover where the vehicle was parked within 100 metres of the trade premises. I am also satisfied that Mr D's address is the relevant trade premises.

Mr D has suggested that Haven should have come out and physically measured where his vehicle was stolen from in relation to his trade premises. However, the notes from the calls when he reported the claim are clear that the vehicle was outside his premises and that this was an area that was clearly visible from the camera mounted at his premises. So, I don't consider Haven has acted unreasonably by assuming this was within 100 metres of the premises. Additionally, whilst Mr D has expressed unhappiness at the lack of a site visit, he has not actually disputed that the vehicle was within 100 metres of the premises.

I appreciate this is not the outcome Mr D was hoping for. But, taking everything into account, I consider Haven acted fairly and reasonably when considering the vehicle was within 100 metres of Mr D's trade premises, and also when applying the endorsement above to decline the claim.

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 D to accept or reject my decision before 24 November 2023.

Sam Thomas
Ombudsman