

The complaint

Miss N complains Ageas Insurance Limited (Ageas) didn't agree to continue providing her with insurance under her motorcycle insurance policy following her changing her motorcycle's registration.

What happened

The circumstances of this complaint will be well known to both parties and so I've summarised events.

In April 2024 Miss N purchased a motorcycle insurance policy which was provided by Ageas. In October 2024 Miss N made her insurance broker aware the registration of her motorcycle had changed from a private registration to the original registration. However, when it attempted to make this change it said Ageas wouldn't agree to continue providing a policy and so the policy was cancelled. Miss N raised a complaint about this decision.

On 24 October 2024 Ageas issued Miss N with a final response to her complaint. It said its underwriting criteria was commercially sensitive and so it was unable to disclose the reason behind its decision to no longer provide cover. It apologised for the inconvenience and agreed to pay Miss N £25 compensation. Miss N referred her complaint to this Service.

Following Miss N referring her complaint to this Service Ageas made an offer to resolve her complaint. It said it would offer to reimburse Miss N the difference between her policy which was cancelled and the new policy Miss N had purchased. Alternatively, if Miss N's new policy cost less than the cancelled policy, it would pay Miss N an additional £50 compensation.

Miss N didn't accept this offer. She said she couldn't afford to take out an alternative comprehensive insurance policy, so she had insured her motorcycle third party, fire and theft. She said even if she accepted Ageas's offer she would experience the same issues insuring the motorcycle when the policy came to renewal. And she wouldn't have purchased the motorcycle had she known how much it would cost to insure it.

I wrote to both parties about this complaint. I said I wasn't persuaded it had been shown why Ageas were unable to continue to insure Miss N. I thought Miss N had experienced distress and inconvenience due to Ageas being unable to continue with her policy and so Ageas should pay Miss N £200 compensation.

Ageas said it would agree to pay Miss N this compensation. Miss N said she thought the £200 compensation would be reasonable if there had been just one error but given the delay in this matter for over a year, more compensation was warranted.

As an agreement couldn't be reached, I'm required to issue a decision on the complaint.

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 want to acknowledge I've summarised Miss N's complaint in less detail than she's presented it. I've not commented on every point she has raised. Instead, I've focussed on what I consider to be the key points I need to think about. I mean no discourtesy by this, but it simply reflects the informal nature of this Service. I assure Miss N and Ageas I've read and considered everything that's been provided.

The terms of Miss N's policy explain that during the period of insurance she was required to make Ageas aware of any changes which may affect her cover, such as changes to her motorcycle. The terms also explain Ageas may cancel the policy if the changes result in it no longer wishing to provide cover.

Miss N made Ageas aware, through her broker, that she was changing the registration of her vehicle from a private registration to the original registration. This resulted in Ageas no longer being able to provide her with cover.

Ageas has said because the change of vehicle registration wasn't quoted on its systems, it can't say definitively why changing the vehicle registration meant cover couldn't be continued. I can see it spoke to an underwriter who said they can't see any explanation why a quote would be provided at inception but not following the change of registration.

Based on the evidence provided, I'm not persuaded Ageas has been able to show it acted fairly when it didn't agree to Miss N's change in registration. Whilst Ageas is entitled to decide what risks it's willing to insure, I don't think it's been shown that Miss N's change in registration meant it was unable to continue to insure Miss N based on its underwriting criteria. Therefore, I don't think it was reasonable Miss N's policy was cancelled following her change of registration.

So, I've considered the impact the cancellation of Miss N's policy has had on her. Miss N hasn't suffered a financial loss as she didn't purchase an alternative, more expensive comprehensive policy. However, I think she has been caused some unnecessary distress and inconvenience due to her policy being cancelled.

Miss N has explained she was unable to afford a comprehensive insurance policy and so she purchased cover on a third-party, fire and theft basis and didn't drive her motorcycle until she eventually sold it. I think it was distressing for Miss N to be unable to drive her motorcycle during this period she would have otherwise been insured.

Miss N has said she had to sell her motorcycle as she was unable to afford the increased premiums she was being quoted to insure her vehicle. However, the contract of insurance Miss N had with Ageas was only for a year in any event. And so even had Miss N's policy continued until April 2025, Miss N would have always experienced the difficulties she did insuring her motorcycle from this point.

I acknowledge Miss N has also said she has been left in a position where she purchased a motorcycle believing she could insure it for a reasonable cost. However, I don't think this was due to an error by Ageas. Ageas didn't set up the policy, and the policy was inceptioned based on the information it had been provided at the time it was taken out.

Taking all of this into consideration, alongside the information Miss N has kindly shared about the impact this situation has had on her, I think £200 compensation is reasonable to acknowledge the distress and inconvenience caused. I think this fairly takes into account the impact to Miss N of her policy being cancelled, whilst also acknowledging that I don't think some of the distress Miss N has experienced was due to errors by Ageas.

My final decision

For the reasons I've outlined above I uphold Miss N's complaint about Ageas Insurance Limited. I require it to pay Miss N a total of £200 compensation minus any compensation it has already paid her as part of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss N to accept or reject my decision before 29 December 2025.

Andrew Clarke
Ombudsman