

The complaint

Mr C is unhappy with Ageas Insurance Limited's (Ageas) handling of a claim he made on his motorcycle insurance policy.

What happened

In December 2024, Mr C made a claim on his policy after his motorcycle was stolen and then recovered. Mr C was unhappy that Ageas said the motorcycle was likely to be a total loss without physically inspecting it or reviewing any images of the damage. He was also unhappy with the level of service provided and that he was given conflicting information about his policy excess, so he withdrew his claim and raised a complaint.

In its response to the complaint, Ageas said its engineer had given an initial assessment that the motorcycle was likely to be a total loss due to its age and value as well as its model and make but that it hadn't officially written it off. It said that if Mr C wished to proceed with the claim, it'd carry out a physical inspection and reimburse him any storage fees and repairs made. Alternatively, if repairs hadn't been made, it'd review an estimate from a garage of Mr C's choosing. Lastly, Ageas acknowledged that the level of service provided fell short of the standard expected. To apologise for its poor service, Ageas offered £100 compensation which Mr C rejected.

Mr C then brought his complaint to our Service for a review. One of our Investigators looked into it. He didn't think Ageas needed to take any further action but Mr C didn't agree. Mr C maintained that it wasn't reasonable for Ageas to write off a motorcycle without inspecting its damage. He said the damage was minor and repairs simple with parts costing under £100 and that his motorcycle was now fully repaired. Mr C said that had he continued with the claim, he would've been adversely affected financially as he would've lost his No Claims Discount (NCD) and faced increased renewal premiums.

As the complaint couldn't be resolved, it has been passed to me for 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.

I'm aware I've set out the background to this complaint in less detail than the parties have presented it. I'm not going to respond to every single point raised. Instead, I've focused on what I find are the key issues here. I assure both parties, however, that I've read and considered everything they've provided.

Firstly, I wish to reassure Mr C that when making a decision on a complaint I do so by reference to what, in my opinion, is fair and reasonable in all of the circumstances of the case. In considering what is fair and reasonable in the circumstances, I take into account relevant laws and regulations; regulators' rules, guidance and standards; codes of practice and (where appropriate) what I consider to be good industry practice at the time.

I also want to make clear that I'm only considering the actions of Ageas in this case. I know Mr C had concerns about his broker but Ageas isn't responsible for the broker's actions. My role here is to decide whether Ageas has acted fairly towards Mr C.

The starting point is the policy terms and conditions which form the contract of insurance between Ageas and Mr C. The terms of the policy set out, like every motor insurance policy on the market, that Ageas has the right to decide whether to repair the motorcycle or pay a fair market value in the event it deems it a total loss. So, I'm satisfied that the contract of insurance allows Ageas to exercise its discretion in deciding how to settle a claim. I've therefore considered whether Ageas has exercised that discretion fairly and reasonably in this case.

It's important to explain that we don't assess or decide repair costs for damage to a vehicle, that's for the experts to do. Our role is to consider if the insurer has fairly considered the available evidence and justified its decision about the claim. To do that, we look at all the available evidence, including anything provided by the policyholder and the insurer.

I appreciate Mr C is unhappy that Ageas told him the motorcycle was likely to be a total loss based on the information he provided at the time of the claim instead of arranging a physical inspection. But it isn't unusual for insurers to settle damage claims without carrying out a physical inspection. And I don't think it's unfair as it minimises costs and is more time efficient than a physical inspection.

Ageas' internal notes show that on 31 December 2024 its engineer was of the opinion that the motorcycle was likely to be a total loss due to its make and model but that it would need to see images in order to confirm its value. The decision whether a motorcycle is a total loss or not is reached by an expert such as an engineer. And this might depend on a variety of factors including costs but also the type of repairs necessary. So, I don't think it was unreasonable for Ageas to have relied on its engineer's initial opinion.

I'm also satisfied that Ageas made clear to Mr C during a phone call on 16 January 2025 that it hadn't officially decided to write his motorcycle off and that it would've been inspected had it gone to one of its salvage agents. However, this didn't happen because Mr C decided to withdraw his claim. Mr C was of course entitled to make this decision but I don't think Ageas treated him unfairly here.

I appreciate Mr C's point that if he had continued with his claim, he would've been worse off financially as he would've lost his NCD and faced increased renewal premiums. However, had Ageas settled the costs of repair to Mr C's motorcycle and been unable to recover these costs from another party, that would've always been the consequence.

Lastly, Ageas acknowledged that its service could've been better. To apologise, Ageas offered £100 compensation which Mr C rejected. I understand the process has been upsetting for Mr C. And I can appreciate his frustration when he was provided with conflicting information about his policy excess. But I can see that when Mr C made Ageas aware of this issue in his call of 16 January 2025, Ageas contacted Mr C's broker who confirmed the correct excess on the same day, so the impact wasn't long lasting.

All things considered, I think the £100 already offered is fair and reasonable compensation in the circumstances. This amount recognises what went wrong with the handling of Mr C's claim and is in line with what I'd usually direct in the circumstances. So, I won't be asking Ageas to do anything more than pay the compensation it has already offered

My final decision

Ageas Insurance Limited has already made an offer to pay Mr C £100 compensation. I find this offer to be fair in all the circumstances. So, my final decision is that Ageas Insurance Limited should pay £100 compensation to Mr C for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 5 February 2026.

Linda Tare
Ombudsman