

## The complaint

Mr A is unhappy with the service provided by Alwyn Insurance Company Limited (Alwyn) when making a claim under his motorbike insurance policy.

## What happened

Mr A's motorbike was involved in an incident. Mr A says the third party insurer (TPI) contacted him shortly after the incident offering to pay 'approx £2700 -to pay for the damages caused by their client.'

Mr A called to report his claim on 3 January 2025. The first notification of loss call was dealt with by an accident management company (G) working on behalf of the broker (L) that arranged his motorbike insurance policy. During this call Mr A was informed about his options for either claiming under his comprehensive insurance policy or going through G to pursue his claim. Mr A said he would claim under his comprehensive insurance policy. The call handler said Mr A would be provided with a replacement motorbike on a credit hire basis, and that his request would be passed to the transport team for this to be arranged.

Mr A was sent an email from the claims administrator (M) for Alwyn. The email said '*[M] are the Claims Administrators for your motor policy, arranged by [broker L], with Alwyn Insurance Company Ltd. We are pleased to confirm that we are in a position to proceed to the next stage of the claims process. Please email us with a photo of the following documents:...*'

Mr A called M to ask for an update on his claim around 22 January 2025. Mr A was told M was still waiting for documents to be returned. Alwyn arranged to collect Mr A's bike for inspection. Mr A was told Alwyn had deemed his motorbike a category N total loss.

On 20 February 2025 Mr A contacted M and said that he would like his motorbike returned and no longer wanted to pursue with the claim through his policy. Mr A continued with his claim through G instead, and the TPI paid £2,227.25 in settlement of his claim.

Mr A complained to Alwyn about its handling of his claim. Mr A said (amongst other things) that the settlement offer from Alwyn for the total loss amount was less than what the TPI had offered at the start of the claim, and the replacement motorbike was unsuitable as he couldn't use it for work.

Mr A was unhappy with Alwyn's response to his complaint, and so referred his complaint to the Financial Ombudsman Service. Our Investigator said it wouldn't be asking Alwyn to do anything in settlement of Mr A's complaint.

Mr A didn't agree, saying Alwyn had failed to explain that he was making a claim through his insurance policy, and that he was led to believe the claim was being handled by the TPI from the outset. 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 thank Mr A for taking the time to explain everything that has happened since the incident involving his motorbike. I understand it has been a stressful time for Mr A. I'd like to reassure the parties that although I've only summarised the background to this complaint, so not everything that has happened or been argued is set out above, I've read and considered everything that has been provided.

Mr A feels strongly that his evidence and version of events haven't been given proper consideration when assessing his complaint. When we investigate a complaint about an insurer's decision on a claim, our role is to consider whether the insurer handled the claim in a fair and reasonable manner. And after considering the evidence and Alwyn's handling of Mr A's claim, I won't be asking Alwyn to do anything in settlement of Mr A's complaint. I recognise the disappointment this will bring to Mr A. But I hope my findings go some way in explaining my decision.

There are four main businesses involved in the handling of Mr A's claim. This includes the broker (L) that arranged Mr A's motorbike insurance policy, and the accident management company (G) that handles claims on behalf of L. The actions of L and G don't fall within my jurisdiction to comment on. I note G handled the supply and delivery of Mr A's replacement motorbike which Mr A has raised concerns about. Any complaint about this part of Mr A's complaint won't be considered in this decision.

The two other businesses that Mr A dealt with are Alwyn, the insurer of Mr A's policy, and the claims administrator (M) for Alwyn. Alwyn is responsible for the actions of M and so I have considered the service provided by both M and Alwyn as part of this final decision.

Mr A's primary complaint concerns the lack of clear communication with him about who was handling his claim, and how costs would be recovered. Given the number of businesses involved with the claim, I recognise how Mr A might've been caused confusion with understanding who was dealing with the claim at any given time.

As my decision is focused on the actions of Alwyn and M, I've considered their role in managing the claim, and explaining next steps to Mr A. I've seen that Mr A was sent an email detailing what he would need to provide in order for the claim to progress. I've seen that once this was provided, the claim progressed at a reasonable pace.

Mr A raised concerns about Alwyn's decision to place a category N marker on his motorbike, and declare it a total loss. I note this decision was based on the engineer's independent opinion of Mr A's motorbike. We wouldn't generally interfere with the findings of an independent expert such as an engineer, as we consider this evidence to be impartial and credible. I haven't seen any evidence to indicate that Alwyn was wrong to rely on the engineer's assessment regarding the category N marker, and declaring Mr A's motorbike a total loss. So, I'm satisfied Alwyn's reliance on this to inform the claim outcome was fair.

I've seen that the engineer's report recorded the estimate repair cost, and the pre-accident value (PAV) of Mr A's motorbike. Alwyn chose to offer Mr A the PAV (minus the outstanding loan). I can't see that Mr A was offered the cash in lieu amount referred to in the engineer's report as an alternative resolution for his claim. However, I note that the cash in lieu settlement amount was subject to further inspection which may have impacted the repair cost, and option to offer a cash in lieu payment. I've also seen that the cash in lieu amount

was lower than the amount Mr A received from the TPI, which was £2,227.25. So, Mr A is in a better financial position from claiming through the TPI.

I recognise Mr A's frustration, as he thought the TPI was dealing with the claim from the outset. Mr A says that if he'd accepted the TPI's offer from the start, his claim might've progressed faster and more efficiently. But in thinking about Alwyn's role in handling the claim, I'm satisfied it managed the claim reasonably.

I say this because Mr A's frustration largely stems from Alwyn's decisions on the claim, and how it determined the damage caused to his motorbike. I recognise Mr A doesn't agree with the category N or total loss decision. And that he feels the TPI accepted the repair costs and settled the claim without question or challenge. But I'm satisfied it was reasonable for Alwyn to rely on the engineer's report to inform its decision on the claim.

I've thought about whether Alwyn should've done more to explain Mr A's options regarding the engineer's comments on making a cash in lieu payment. But even if Alwyn had communicated more clearly about the cash in lieu amount (which was subject to further inspection of the motorbike anyway), given the cash settlement amount recorded on the engineer's report versus what the TPI paid to Mr A, Mr A is still better off financially from claiming from the TPI. I can't say he has suffered any financial loss from Alwyn's handling of the claim. So, I won't be asking Alwyn to do anything in settlement of Mr A's complaint.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 7 January 2026.

Neeta Karelia  
**Ombudsman**