

## The complaint

Mr K complains that MCE Insurance Company Limited (MCE) returned his motorcycle, after recovering it from an accident, without his authority to an address he wasn't residing at. Mr K is also unhappy with the condition of the motorcycle as he considers it is substantially worse than when it was recovered.

## What happened

The background to this complaint is well known to both parties and so I'll only refer to some key events here.

Mr K held a comprehensive motorcycle insurance policy with MCE and in May 2018 he was involved in an accident. MCE spoke to friend of Mr K's and arranged recovery of the motorcycle. It was taken to a site owned by a third-party company, that I'll refer to as 'W', up until it was taken to MCE's storage facility on 28 September 2018.

During this time, Mr K complained to MCE about them storing his motorcycle without his authority and that they wouldn't return it unless he paid W's storage costs. The matter was referred to our service and one of our ombudsmen upheld the complaint. She directed - in her decision of 24 April 2019 - MCE return the motorcycle to Mr K, waive the associated storage fees and pay £260 compensation for the trouble and upset caused.

Mr K provided his bank details to MCE on 30 April 2019 for the £260 to be paid and also enquired about when his motorcycle would be returned. MCE explained that the relevant department would be in touch with him to discuss the return of his vehicle and to confirm a date.

MCE returned the motorcycle to the address on Mr K's policy schedule on 2 May 2019 after calling to arrange this with the telephone number they had on file. Mr K says the person MCE spoke with is his former landlady.

Mr K subsequently chased MCE about the return of his motorcycle as he said he hadn't heard anything further. And, after being told it had already been returned, he complained about this. He said he'd informed MCE in June 2018 that he no longer resided in the UK and that he wasn't contacted, as MCE said they would, about the return of the motorcycle. But instead, they spoke to someone else and returned it to an address he no longer resided at without his authority – and with the vehicle having no tax or insurance in place. He also complained about not being told the location of the motorcycle for several weeks, the costs he incurred returning to the UK to recover it and the condition it was returned in.

MCE upheld the complaint in part. They said they'd called the telephone number they had on file to arrange the return of the motorcycle and provided evidence of the delivery invoice, showing it had been signed for. MCE explained that they wouldn't have been able to update Mr K's address on the policy as it had already expired and due to him no longer residing in the UK. But, irrespective of that, they also confirmed that they wouldn't have delivered the motorcycle to an address outside of the UK. They did however apologise for not speaking

with Mr K directly and for not notifying him that his policy didn't provide cover for the motorcycle being returned outside of the UK. MCE made a £150 payment to recognise this.

In respect of the additional damage to the vehicle Mr K was claiming, MCE said they couldn't be held responsible given it had been out of their possession since 2 May 2019. So, they wouldn't reimburse any costs for this.

Mr K remained dissatisfied and so referred his complaint to our service. One of our investigators looked in to it but he didn't think MCE had to do anything further. He said while MCE ought to have contacted Mr K directly, even if they'd spoken with him, he wouldn't have expected them to have arranged the return of the motorcycle to outside of the UK. Because of this, he didn't think MCE was responsible for the travel costs Mr K incurred in order to collect it.

Our investigator also didn't think there was enough evidence to demonstrate that the damage caused to the motorcycle was as a result of MCE's actions – including how it was stored. He suggested Mr K obtain an independent inspection of the motorcycle by a professional engineer to support his position but this wasn't provided.

Mr K disagreed and so the matter has been passed to me to decide.

Before I go on to explain what I've decided, I think it would be helpful if I explained that I'm only considering Mr K's complaint in respect of the return of his motorcycle and his claim that its condition is significantly worse than when it was initially recovered from the accident. I won't therefore be commenting on the issues previously considered by our ombudsman in her decision of 24 April 2019.

### **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 understand Mr K's frustration with what's happened as MCE arranged for the motorcycle to be returned to an address he no longer resides at, without his authority, by arranging this with his former landlady. As the landlady didn't have authority to act on Mr K's policy, MCE shouldn't have arranged the return of the motorcycle with her. Instead, they ought to have contacted Mr K directly to do so – as they told Mr K they would. I also think it's understandable that it would've been quite alarming for Mr K to find out his motorcycle had already been returned without his knowledge or agreement. And, upon Mr K asking MCE where his motorcycle was returned, I think MCE ought to have confirmed its location much sooner than they did. I consider this caused further upset to Mr K that could've been avoided.

Mr K says the motorcycle was left on a public street without being taxed or insured. And that he incurred travel costs of about £100 to return to the UK to collect it as well as further storage costs. I've carefully considered these points but, fortunately, I've not seen anything to show Mr K has suffered as a result of the motorcycle not being taxed or insured. And so, I don't think I can hold MCE responsible for something that may have happened but ultimately didn't. Furthermore, I likewise don't think MCE is responsible for any storage costs Mr K incurred when it was back in his possession. This is because, at this point, it would be for Mr K to decide how and where he would store the motorcycle – paying for the costs himself if required.

I do however appreciate Mr K's dissatisfaction with having to return to the UK to collect his motorcycle after previously informing MCE that he'd moved abroad. But, although I know Mr K says the motorcycle could've been shipped outside of the UK for between £200-£300, I don't think MCE were required to do this or that it could be fairly expected of them. This is because, had the motorcycle not been taken into storage, then it seems most likely that Mr K would've agreed to it being returned to the insured address. And his insurance policy covers the reasonable costs of transporting and delivering the motorcycle within the geographical limits. These are defined as Great Britain, Northern Ireland, the Isle of Man and the Channel Islands. As Mr K wasn't living within these geographical limits, I don't think MCE were required to send the motorcycle to his country of residence. I think it was reasonable for MCE to have returned the motorcycle to a UK location – albeit, I accept there were failings by MCE when doing so which I'll return to later.

The main issue here however appears to be in respect of the condition of the motorcycle now that is back in Mr K's possession. I've therefore considered whether MCE is responsible for the damage and/or deterioration of the motorcycle. I know this will come as a disappointment to Mr K but, based on the available evidence, I don't think they are. I'll explain why.

Mr K alleges that the condition of his motorcycle is significantly worse as a result of how MCE stored it. He's also claimed that MCE deliberately damaged the motorcycle, in spite, due to his dissatisfaction with their service. I've given careful thought to the issues Mr K has raised. This includes rust on the chain and sprockets, the battery no longer keeping charge as a result of it not being disconnected, glue residue left from tape and exposed electrics that have flooded due to bolts being removed (as Mr K says) unnecessarily. Further, Mr K also highlights issues with marks on the bike due to it being written on along with cracks in the leather and discolouration.

I'm grateful for the effort Mr K has gone to in demonstrating the current condition of his motorcycle. However, it isn't in dispute that the motorcycle is in a worse condition than pre-accident. What I must establish is whether this is as a result of MCE's actions. I understand the accident Mr K was involved in led to him being hospitalised for a couple of weeks. I therefore think it's reasonable to conclude the accident was severe and that, most likely, the motorcycle would've suffered significant damage as result. Unfortunately, there isn't any evidence to confirm or show its condition at that time (and when it was recovered by MCE). The motorcycle was stored with W before later being taken to MCE's facility. MCE has confirmed that the motorcycle was stored indoors when at their facility but that it may have been kept outside while with W. I can't however be sure of the exact conditions it was kept in with W, or MCE.

Our investigator requested Mr K obtain an independent inspection of the motorcycle by a professional engineer to establish what was most likely the cause of damage and/or deterioration. In the absence of this, I don't think I can fairly conclude the damage wasn't as a result of the accident. Or that, as a result of the accident, the parts that have suffered damage or deteriorated in condition wouldn't have required replacing/repairing in any event. I also consider some of the issues raised, such as the glue residue or marks left from the motorcycle being written on, are most likely cosmetic and therefore can be cleaned. It follows that, based on available evidence, that I don't think I can fairly conclude MCE is responsible for the issues Mr K has raised in respect of the condition of his motorcycle. I also haven't seen anything to show MCE deliberately damaged it. So, while I know how strongly Mr K feels about this matter, I'm not persuaded MCE has to do anything further in this regard.

I have however considered the impact on Mr K as a result of MCE not arranging the return of the motorcycle with him directly. Having done so, I think £150 is a reasonable amount to recognise the trouble he experienced as a result of this and so I won't be increasing it further. If Mr K hasn't received the £150 then he should contact MCE to arrange this.

### **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 K to accept or reject my decision before 24 December 2020.

Daniel O'Dell  
**Ombudsman**