

The complaint

Mr V has complained about the information provided by Bennetts Motorcycling Services Limited (“Bennetts”) when he bought his motorcycle insurance policy.

What happened

Mr V bought motorcycle insurance through Bennetts in 2016. He bought a new policy through Bennetts in 2020 and the policy renewed in 2021. Mr V said one of the things that he looks for when buying a policy is the ability of the broker to handle claims smoothly.

In 2022, Mr V claimed on his policy after his motorcycle was stolen. Bennetts transferred Mr V to the insurer of the policy to deal with the claim. When Mr V experienced problems with the claim, he asked Bennetts to help. Bennetts said it was for the insurer to deal with the claim but ultimately raised complaints with the insurer for him.

Mr V was unhappy with this, as he’d understood from Bennetts’ website that it would deal with claims.

Bennetts said its role as a broker was to arrange and administer the policy and not to act as the insurer. Bennetts said that it used to have a motorcycle claims team but it was phased out 20 years previously and insurers now deal with claims themselves. It said it did not have access to the insurer’s database and so could not provide information on Mr V’s claim but its commercial team could contact insurers if a customer has any concerns.

Bennetts said its contact centre staff were not claims trained and it would not expect them to comment on Mr V’s claim as they would not have access to the full facts. Bennetts said it makes its customers aware that its claims line is administered by a third party.

Mr V was unhappy with Bennetts’ response and brought his complaint to our service. He was also unhappy about Bennetts’ disclosure of commission but, as that has now been resolved, I am not going to comment on that aspect of his complaint any further in this decision.

Mr V provided screenshots from Bennetts’ website which said:

“Unfortunately accidents do happen and being involved in a collision or having your motorcycle stolen is traumatic enough without having to deal with a complicated, stressful and lengthy claims process. That’s why you’ve chosen to insure your motorcycle with Bennetts.

Our claims process couldn’t be simpler...”

“Accidents and thefts can happen at any time. So, you’ll want to know that you can talk to us if the unexpected happens. Our dedicated UK-based claims team are available 24 hours a day, seven days a week - even on Sundays and Bank Holidays!”

Under the heading “Why choose Bennetts insurance” it says:

“We are good at claims: We have an excellent bike specialist claims team who can be contacted 24 hours a day, every day. We are here to help when you really need it the most.”

Mr V said that Bennetts’ website gave the impression that it would handle claims but that was not true. Mr V asked for fair compensation for falsely claiming that it helps the insured when it does not. He said £100 would be a fair and reasonable amount to settle his complaint.

Bennetts said that it has a first notification of loss claims line which is run by a third party company on its behalf. It said that some insurers delegate responsibility to this third party company to handle claims on their behalf. However, Mr V’s insurer was one which handled claims themselves.

Our Investigator looked into Mr V’s complaint and recommended it be upheld. She thought Bennetts had provided misleading and unclear information when selling the policy and recommended Bennetts pay Mr V £100 compensation for the distress and inconvenience this had caused.

Mr V accepted the suggested outcome but Bennetts did not. Bennetts did not think the information it provided was misleading and asked for an Ombudsman’s 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.

When selling a policy, a firm has a duty to provide clear, fair and not misleading information so a policyholder can decide whether the policy is suitable for them.

Mr V has provided screenshots from Bennetts’ website. Bennetts has not suggested that the screenshots do not reflect the information on its website when Mr V bought his policy in 2020 or at the renewal in 2021, so I am persuaded that the screenshots most likely show the information which was available to Mr V. I have looked at Bennetts’ website and note that the wording has changed, although Bennetts do not accept that this is because it was previously unclear or misleading.

Having considered the information given on Bennetts’ website, along with all of the other evidence provided, I do not think Bennetts provided Mr V with clear information about its involvement with the claims process. I understand that it is the insurer who deals with the claims and that Bennetts did not have the information available to give to Mr V. However, I think the extracts from Bennetts website, which I have quoted in the background, indicated that Bennetts would deal with claims. I say this because the website referred to “our claims process”, “our dedicated claims team” and in particular, “We are good at claims: We have an excellent bike specialist claims team... We are here to help when you really need it the most”. In my view that supports Mr V’s belief that Bennetts would help him with a claim.

A document called “about our insurance services” contained within Mr V’s policy documents includes information about claims. This says:

“In the event of a claim on your policy, your insurer will be responsible for the claim. Your insurer may delegate the management of the claim to the Bennetts Claims Team who will act on behalf of your insurer.”

I think this makes it clearer than the website that the insurer will be responsible for claims.

However, it's not enough to persuade me that the overall information was clear enough when Mr V bought his policy, specifically the information about claims on Bennetts' website.

Bennetts said that it makes it clear that a third party runs its claims line. However, the website says "our" claims team which I think implies that the claims team belongs to Bennetts. I have not seen anything which persuades me that Bennetts made it clear that a third party ran the claims line. And even if it did, this would not persuade me that it was clear to Mr V, from the information available to him during the sale of the policy, that Bennetts would not help him with a claim.

While I don't find it unusual for Bennetts to have appointed a third party company to manage its first notification of loss claims line, I do not think the information it has provided on its website, or any other documents that I've seen, was sufficient to make this clear to Mr V when buying his policy. Therefore, I do not think that Bennetts provided Mr V with information that was clear, fair and not misleading. So, I have considered the impact of this on Mr V.

Mr V explained that support during claims is something that was important to him when looking to buy a policy. So I can understand that he was frustrated to discover that Bennetts would not be able to help him deal with his claim when he needed to make one. And I can see that finding out that Bennetts did not offer the service he thought it did caused him unnecessary distress and inconvenience.

Putting things right

As I believe Bennetts caused Mr V distress and inconvenience by providing unclear and misleading information on its website during the sale of the policy, I think it is fair and reasonable that it compensates Mr V for that. I think the £100 Mr V has asked for is a fair and reasonable amount for Bennetts to pay.

My final decision

My final decision is that I uphold this complaint and require Bennetts Motorcycling Services Limited to pay Mr V £100 compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 16 June 2023.

Sarann Taylor
Ombudsman