

complaint

Mr S complaint is about the way Ageas Insurance Limited dealt with a claim he made under a legal expenses insurance policy.

All references to Ageas include its claims handlers.

background

Between November 2013 and February 2014 Mr S had his motorcycle repaired by a mechanic. Following this, he began to experience significant issues with the motorcycle and the engine failed.

Mr S made a claim on his legal expenses insurance policy in November 2014, as he wanted to bring a claim against the mechanic. Ageas considered the matter and said that Mr S needed to get an expert's report to help it better understand the cause of the problems with the motorcycle.

Mr S did this. The report said that the cause of the engine failure was due to the engine being 'run out of oil', rather than the work done by the mechanic. Because of this, Ageas decided that the claim didn't have reasonable prospects of success, as required by the policy.

Mr S wasn't happy about this. Because of this Ageas and Mr S both agreed for an independent engineer to look at the car. This engineer disagreed with the first report, but said that the most likely cause of the engine failure was incorrect fuelling to enhance performance, rather than the repairs. So Ageas remained of the opinion that the claim was unlikely to succeed.

Mr S didn't agree with the report. This was because he felt that it didn't take into account certain facts about the motorcycle. Because of this, he felt that Ageas was wrong to decline the claim.

Our investigator looked into his complaint and felt that Ageas acted fairly in declining the claim. Mr S disagreed so the complaint was passed to me to decide.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mr S's policy explains that any claim that it may cover must have a reasonable prospect of succeeding in court. We don't think that terms like this are unfair and they tend to be standard in nearly all legal expenses policies, as they're intended to prevent an insurer pursuing potentially costly claims that aren't likely to succeed.

It's not my role to look into whether or not Mr S's legal claim against the mechanic would be successful. Instead, I need to look at whether Ageas has acted fairly in declining the insurance claim in the way it did. I think it has. I'll explain why.

Ageas has said that because of the nature of the claim Mr S was making, it would need an expert's opinion to determine the cause of the problems with the motorcycle. When Mr S provided this report, Ageas took the view that it couldn't attribute the problems complained of to the mechanic Mr S wanted to bring a claim against.

Mr S disputed the findings and the independence of the report. So I think it was reasonable for Ageas to suggest that a further, independent report should be obtained and that both parties should then be bound by its findings.

This report stated that, given the mileage since the engine was rebuilt, would be difficult to prove that the engine failure was the result of the rebuild. Instead, it said the most likely cause of the failure was due to *"incorrect fuelling to enhance performance"* rather than the mechanic's repairs.

I think it's reasonable for Ageas to rely on this report. The report was both detailed and completed following an inspection by a suitably qualified independent expert. And it contains clear conclusions that the mechanic didn't seem to cause the issues complained of. Based on this, I think it's fair that Ageas concluded Mr M's claim didn't have a reasonable prospect of success in court. It follows that I think it's fair that Ageas decided not to cover the claim, in line with the policy terms.

my final decision

My final decision is that I don't uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 20 January 2017.

James Staples
ombudsman