

complaint

Mr G has complained that Gefion Insurance A/S caused a delay when it dealt with his claim under his motorcycle insurance policy.

background

Mr G bought a motorbike insurance policy through a broker in April 2017. In August of that year he told his broker he had been involved in an accident.

Gefion, as the lead insurer under Mr G's policy, dealt with his claim. Mr G complained that Gefion delayed instructing a salvage agent to collect the motorbike. This led to his motorbike not being retrieved. It took Gefion six months to settle his claim as a total loss.

Gefion apologised to Mr G and it compensated him by waiving his excess of £500. He was not satisfied with that, and so he brought this complaint to our Service. (He has made a separate complaint against the broker.)

Our investigator didn't recommend that Mr G's complaint should be upheld. She agreed Gefion had caused delay. But she thought the £500 compensation was enough to put the matter right.

Mr G didn't agree with the investigator. He doesn't believe we've properly investigated his complaint. So this complaint has been passed to me for an ombudsman's decision.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. Having done so, I do not uphold it. I will explain why.

Gefion was responsible for dealing with Mr G's claim for the damage to his motorbike. Mr G bought a separate policy through his broker, with a different insurer, for additional cover for his helmet and leathers. I understand that this has caused some confusion, and that is the subject of his other complaint about the broker. But as our investigator explained, Gefion isn't responsible for the separate policy. So my decision is only about whether Gefion acted reasonably in the way it dealt with his motorbike insurance claim.

Gefion was notified of the incident by the broker the day after Mr G reported it. On the same day Gefion instructed a salvage agent to collect Mr G's bike from the location he gave. But Gefion didn't give the correct address. It realised its error over a month later, when it was prompted by Mr G.

During October 2017 the salvage agent tried to locate Mr G's bike. But the person at the location didn't know where the bike was. The salvage agent visited the location, but couldn't find Mr G's bike.

In January 2018 Mr G complained about the length of time it took to deal with his claim. Gefion decided the fairest way to deal with Mr G's claim was to pay him the total loss value for it. In February 2018 an engineer valued Mr G's motorbike at £2,750.

In Mr G's letter dated 28 February 2018 addressed to his broker, he said he felt pressured into accepting a pre-damage valuation for his bike. He said it was totally untrue to say he accepted it.

Mr G replied to his insurer following a valuation offer of £2,750 for his motorbike. On 13 February 2018, he wrote the following:

"Whilst I am happy with this settlement for my motorcycle, it makes no mention of my Helmet and Leathers. Because of this I cannot accept this as full and final settlement."

So I think Mr G did accept Gefion's valuation for his motorbike. But Mr G believed Gefion was also responsible for dealing with his claim for his helmet and leathers, and that Gefion had included this claim in its offer. But Gefion couldn't agree to this as it wasn't the insurer for the separate policy. So this was the only reason Mr G refused to accept the valuation.

Also in February 2018, Gefion apologised to Mr G for the delay it had caused in dealing with his motorbike claim. For this, it waived the excess Mr G would have owed, which was £500.

I think Gefion failed to deal with Mr G's claim in a reasonable amount of time. So I can understand why Mr G was frustrated and upset by the delay. The first part of a claim is the excess – so normally this is always payable irrespective of the circumstances or fault. As Gefion waived the excess of £500, it essentially compensated him by the same amount. I think this is a fair sum to reflect the delay and the poor service it gave Mr G. (Mr G himself accepted that offer at the time, in a phone call and in his email dated 13 February, although he subsequently changed his mind when he realised that his helmet and leathers had not been included in the claim).

So I don't think Gefion needs to do any more to resolve Mr G's complaint.

my final decision

For the reasons I've given above, my final decision is that I don't uphold this complaint. My final decision concludes this Service's consideration of this complaint, which means I'll not be engaging in any further discussion of the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 11 October 2019. But if we don't hear from him, then we will presume that he rejects it.

Richard Wood
ombudsman