

complaint

Mr H complains that when he made a claim under his motorcycle insurance policy Groupama Insurance Company Limited handled it badly.

background

Mr H's motorbike was vandalised on two consecutive dates. As it was a classic motorbike, he wanted it to be dealt with by an engineer with specific knowledge of the make, and in the end he decided to claim for only one of the incidents, as a policy excess would have been payable for each incident. Groupama required estimates for the repairs and sent an independent engineer to assess the damage to the bike. He concluded that repairs were worth £605 and Groupama decided to make a cash offer of that amount to Mr H. He considered the offer far too low, as it was half the value of the repairs estimate he had already obtained (although he later accepted Groupama's offer as an *interim* payment).

Mr H also considered that there were delays in the claims process, that his use of the bike was queried unreasonably by Groupama and that he was involved in a call with the DVLA without his prior knowledge. In addition, the motorbike was left where it was originally and he had no means of transport.

Our adjudicator did not uphold the complaint. In her opinion, Groupama was entitled to offer Mr H cash in lieu of repairs, and the engineer's report supports the value of the sum it offered. As the incidents occurred a good distance away from Mr H's home, in her view it was reasonable for Groupama to query its use, and the engineer considered the bike was safe for Mr H to ride home. The adjudicator also considered that the claim was handled within a reasonable time.

Mr H disagreed with the adjudicator's view, so the complaint was passed to me for review.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I am satisfied that the policy allows Groupama to decide how to settle any claim, and that where a motorcycle is damaged it may choose to pay the policy holder cash in lieu of repairs. Mr H provided Groupama with two estimates, which were very inconsistent with each other. The independent engineer who examined the damage only considered the repairs necessary for the first incident, as Mr H had decided to withdraw his claim for the second incident at that point. He did not accept that two incidents should be recorded by Groupama, but I am satisfied that Groupama was entitled to do so.

In my view, Groupama was entitled to rely on the engineer's estimate and there is evidence that it did discuss the matter with him in some detail. I am aware that Mr H says the engineer offered the sum in lieu to him during a telephone conversation, although there is no record of that. In my opinion, this would have had no impact on the claim in any event.

Although Mr H complains that the motorbike was not recovered by Groupama, Mr H initially told it that he intended to have it assessed by a specialist, so as he took control of the repairs, subject to providing estimates to Groupama, it was therefore not responsible for recovering the vehicle. In any event, the independent engineer's view was that the vehicle

was not immobile. This issue appears not to have been raised in subsequent telephone conversations with Groupama.

In terms of delay, where issues in a claim are disputed, it is usual for the claim to take some time to resolve. In this case, there was some confusion because two incidents of damage occurred, an independent engineer had to be instructed and the repair estimates then had to be assessed in order to separate out the relevant work. There is evidence that Groupama had to make contact with the garage about this, and there was then a dispute about the engineer's valuation of the repair costs. In my view, a period of three months to make a settlement offer, where there are disputes about the claim, is not excessive.

The fact that Groupama queried the use of Mr H's vehicle was reasonable, in my opinion, given the distance from his home where the incident occurred and the limitations on the policy. It is not clear to me why Groupama would have arranged a conference call involving Mr H and the DVLA, but as there is no record of the call, I am unable to comment on it further.

On balance, in my view Groupama handled Mr H's claim fairly and reasonably.

my final decision

My final decision is that I do not uphold this complaint.

Susan Ewins
ombudsman