This document is for insurance intermediaries/brokers only and must not be provided to customers.

Ageas BIKE

Value Statement

This document is created for advisers and distributors to provide a summary of our annual Fair Value Assessment, and the outcome of that review.

Fair Value Assessments are conducted using a number of metrics to determine value; including loss ratios, claims and complaints frequency. Ageas's intent is for this document to meet the requirements under the FCA PROD rules.

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The Ageas Bike scheme is predominantly distributed online and via intermediaries. The product is sold via many different brokers. Ageas Bike is a grouping of core Ageas Bike products where Ageas controls the policy wording. Ageas acts as the manufacturer of the motorcycle insurance but does not provide any add-ons which are sourced separately by the brokers. There is no indication that the product is being sold outside the target market.

Products and services

The Ageas Bike product has seen an increase in policy sales, reflecting a strong market presence despite no strategic plans to expand the scheme. This growth has been largely influenced by a major bike insurance provider exiting the market, resulting in other insurers absorbing additional business.

Cancellation frequency remains moderate and does not suggest that customers face unnecessary barriers when choosing to cancel. The scheme continues to demonstrate strong retention and low complaint volumes, which are indicative of customer satisfaction.

The distribution approach for the Ageas Bike product supports fair value and positive customer outcomes, with a straightforward structure and a clear commitment to third-party oversight and monitoring.

Consumer support

The Ageas Bike product has experienced a low number of Financial Ombudsman Service (FOS) claim complaints, indicating effective in-house complaint resolution. While one FOS complaint was upheld, Ageas has demonstrated a clear commitment to improving outcomes related to "Payment too Low" concerns.

Since December 2023, several recommendations have been implemented to enhance settlement transparency. These include using the most appropriate valuation guides, presenting market comparisons, and refining deductions for previous total losses and MOT-related costs. These steps aim to ensure fairer and more consistent settlement offers.

Given the overall policy count, claims volume, and low complaint rate, these escalations do not reflect broader scheme performance, as supported by key performance indicators.

Price and value

The Ageas Bike product continues to demonstrate fair pricing, supported by low premiums, modest average commissions, and total remuneration levels that remain within tolerance - even among brokers with the highest exposure.

Loss ratios are within acceptable bounds, indicating that the product is effectively supporting customers who make claims. While the current combined operating ratio (COR) is below threshold, this is attributed to a temporary absence of large claims rather than under-pricing. Historical data shows CORs exceeding 100%, reinforcing that the current position is not indicative of long-term pricing concerns.

Overall, there are no issues regarding the product's sustainability or its ability to deliver fair value to customers.

Consumer understanding

The Ageas Bike product demonstrates strong consumer understanding, supported by high claims frequency, a low repudiation rate, and a high acceptance rate. These indicators suggest that customers clearly understand what is covered and when they are eligible to claim.

The low walkaway rate further reinforces this, pointing to customer satisfaction with the claims process. While average settlement time currently exceeds tolerance thresholds, this is consistent with expectations for specialist bike repairs and remains in line with other products in the market. The product continues to deliver fair outcomes without evidence of undue delays or barriers.

Cohort analysis

Cohort analysis, including monitoring of customer vulnerability, tenure, age, and claim type, has also been completed. No concerns have been identified, and value is delivered consistently across all customer groups. The fair value assessment for Ageas Bike, is aligned to the four Consumer Duty outcomes and confirms that the product continues to deliver value for a reasonably foreseeable period.

Summary

Overall, customers are receiving good outcomes in relation to being able to utilise the product at point of claim, as evidenced by the metrics mentioned. The distribution chain is not complex, and the costs versus insurance product commission is not excessive, to the point that the customer is paying an overinflated price.

Based on the information above the product demonstrates fair value. Ageas are comfortable for this product to continue to be distributed for the next 12 months.