

## The complaint

Mr K complains that after he made a claim on his motor insurance policy esure Insurance Limited didn't pay him enough for his written-off car or pay for all its storage charges.

## What happened

Mr K's car was stolen and recovered in early August 2021. esure decided it was a total loss and that the car was worth £25,430, based on the valuations in the national motor trade guides. It deducted the £750 policy excess from that sum, the policy premiums Mr K owed it, and £1,442 towards the £5,784 payable at that time for storage charges. Mr K challenged the valuation and didn't agree that he was liable for any of the storage charges.

One of our investigators reviewed Mr K's complaint. He thought the valuation was fair, but he thought esure should pay for the storage charges from August 2021, as Mr K had told esure at that point about the car being in storage. esure responded to say Mr K had only told it about the storage *charges* in October 2021, so he was liable for them until that point.

As there was no agreement, the complaint was passed to me for review. I issued a provisional decision along the following lines:

### *The valuation*

I said I thought esure had shown it had followed our approach to valuing vehicles by looking at the figures quoted in the national trade guides – which we checked were correct. I said I thought it had acted reasonably in offering Mr K the average of the valuations it found, and that we don't think adverts are a reliable way of establishing a car's likely pre-incident market value. I said in my opinion, esure had acted correctly in deducting from the settlement sum the amount Mr K owed it for the policy excess and the remaining premium.

### *Storage charges*

I noted that initially the car was held by the police, but that Mr K had collected it and had chosen where to leave it whilst the claim was validated. That took several months, as esure had to wait until October 2021 for the police report and until November 2021 for the car's V5 registration form. So I didn't think there was any undue delay on esure's part.

I also noted that when Mr K called esure in August 2021 for a copy of his insurance certificate, he told the customer services advisor he spoke to that the car was going into storage. There was some doubt on her part about whether esure's system would allow her to send it to him by email, but she took advice and was able to do so. I said there was no mention of storage *charges* and it seemed that Mr K's only concern was the certificate.

I said ideally the advisor would have asked where the car was going to be stored and about charges, but that I wasn't surprised she didn't. The advisor wasn't from the claims team and Mr K only referred to storage in passing. I said I thought most consumers would have asked whether upcoming storage charges would be covered – and if Mr K had done that, it was

likely that the advisor would have directed him to the claims team. If so, the situation would have been dealt with then. I said the notes I'd seen showed that Mr K didn't tell esure that there were charges for storage until he called it on 6 October 2021 – and it agreed to pay the charges from that point on, which I thought was reasonable.

I pointed out that a note on esure's file showed Mr K told an advisor after the claim was validated in December 2021 (when he was asked where the car was) that he thought esure had collected it months previously. I said from what I'd seen, there was no evidence that he ever told esure where the car was, so I couldn't see why he thought it had moved the car. I noted that Mr K had also said he told esure about the car being in storage several times during the claim, but that I hadn't seen any evidence of that, either – just the initial reference to storage in August 2021 and then the first reference to storage charges two months later.

I said I was minded to conclude that esure acted reasonably in relation to the car's valuation and in the deductions, it made and that it also acted reasonably in paying for the storage charges from October 2021 onwards. I said I thought it was fair for esure to say Mr K was liable for the charges up to October 2021, so I was minded not to uphold his complaint.

I asked the parties to comment on my provisional findings. esure didn't do so. Mr K said initially that he was happy with the valuation, but later on he said he thought he should have been paid the top valuation shown in the trade guides, as his car wasn't a standard model. He said we should check that its high specification was noted when it was valued. Mr K also said he thought the reason for his conversation with esure's customer service advisor should have been obvious to her. He said the sole purpose of the call was to get a copy of the insurance document to give to the garage where the car was to be stored, so it could direct its charges to esure. He thought the advisor should have asked him questions about storage and that there were 'multiple' times during the call when she could have done so.

### **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.

In terms of the valuation, the investigator said in his view that he'd checked the correct specifications were noted (as well as the car's age, mileage, and condition). I also checked that was the case. I think it was reasonable for esure to offer Mr K the average of the three guide valuations, as they fell within a limited range and were therefore consistent.

I don't agree with Mr K that it should have been obvious to the customer services advisor why he wanted a copy of his insurance certificate. Although he said the car was going into storage, he didn't mention storage charges or say the garage wanted the certificate.

I appreciate that Mr K couldn't find free storage, but some consumers are able to do so – normally in places offered by friends or family. I think any garage, storage facility or individual that had agreed to store Mr K's car is likely to have asked him for evidence that it was insured (against perils such as fire and theft). The advisor may have assumed that was why the certificate was needed. But I think the main point is that it was for Mr K to tell esure from the outset about any upcoming charges that he'd agreed to on its behalf.

I don't think there were multiple times during the call when the advisor could have asked questions about storage charges. Mr K's conversation with her was very short - and in my opinion it was fully focused on the insurance certificate. Mr K spent most of the time on hold, whilst the advisor checked whether it was possible for her to provide a copy of it to him. It seems to me that that Mr K assumed esure would pay whatever storage charges arose,

without being asked or even told about them in advance. I don't think that was reasonable, especially when esure may have been able to have the car taken to free or cheaper storage.

As Mr K hasn't said anything that has persuaded me to change my provisional opinion, I don't intend to uphold his complaint.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 6 October 2022.

Susan Ewins

**Ombudsman**