

## **The complaint**

Mr I complains that esure Insurance Limited (“esure”) has unfairly treated him in relation to a claim made on a car insurance policy.

## **What happened**

The background of the complaint is well known between parties, so I’ve summarised events.

- Mr I holds his car insurance with esure. In July 2021, following an incident he made a claim on his car insurance policy – and the car was determined to be beyond economical repair.
- esure valued the vehicle at £7,356, and agreed to pay this minus £800 for existing damage to the vehicle and the policy’s excess.
- Mr I complained about a range of matters, including the valuation and deductions, providing an invoice for £240 which he said was an accurate reflection of existing damage repairs. He also complained about a lack of a courtesy car, and the compensation awarded which he said wasn’t reflective of ongoing costs he incurred. As well as concerns about the behaviour of its staff that he considered to be discriminatory.
- esure considered the complaint and agreed its customer service had fallen short, so it offered £500 compensation.
- One of our Investigators looked at what happened and said esure’s compensation settlement was fair, saying:
  - esure’s vehicle valuation was in line with professional valuation guide prices.
  - The existing damage reduction was fair.
  - The policy doesn’t cover a courtesy car where the vehicle is beyond economical repair/total loss – as it was here – so it didn’t need to provide one.
  - esure’s offer of compensation was fair in light of the mistakes made.
  - She wasn’t satisfied the evidence suggested Mr I had been discriminated against but asked for details of any specific occasions to consider this further.
- Mr I re-shared his repairs invoice and he asked this Service to consider that esure sold his vehicle without his permission when he wished to retain it, and that esure amended his policy without proper authority.
- In relation to the invoice esure said this only included labour and not materials, and supplied its own adjuster’s comments that reflected the pre-accident damage was £1,674 but it had only deducted £800.
- Our Investigator was persuaded by esure’s comments on the deduction. She said the evidence available didn’t suggest Mr I had told esure of his request to retain the car until after he’d received his settlement. And she agreed esure made changes to Mr I’s policy without his permission, so she awarded an additional £150 for this.

- esure responded to say Mr I had given authority for his relative to deal with matters since July 2021, so any amendment was in line with his agreement. Our Investigator stood by her position, saying esure had not provided a copy of any calls that show Mr I gave permission for any other person to change his policy details.

So, the complaint has been passed to me for an Ombudsman's final decision.

### **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.

Having done so, I'm upholding this complaint. I'll explain why.

#### *Valuation and reductions:*

- esure accepted Mr I's claim and agreed it by paying the "*market value*" of the car. The policy specifies this will be based on research from motor trade guides.
- Our service doesn't value vehicles ourselves. We check the valuation that an insurer has placed on a car and provide our opinion on whether it's fair. We do this by consulting various recognised trade guides, as well as other evidence provided.
- Our investigator has detailed the prices provided by the trade guides previously. The results were between £6,855, £7,050 and £8,163.
- I'm satisfied esure's valuation of £7,356 is in line with these valuations.
- esure has provided evidence that shows the existing damage equated to £1,674 in repairs. Mr I disputes this and provided his own invoice. As esure has said, this only accounts for labour and not materials.

#### *Courtesy car and retaining vehicle:*

- Mr I hasn't disputed that his policy doesn't provide for a courtesy car. But he's asked for one anyway in these particular circumstances. I see no fair reason to direct esure to act outside of its terms.
- Mr I has said he intended to retain his vehicle so this was disposed of without his wishes. I would expect a policyholder to raise this with an insurer and here I can't see that he did until after the settlement was made. So, I'm not satisfied this is a mistake on esure's part.

#### *Service, compensation and policy changes:*

- I've reviewed all of the notes and documentation. esure has said its handling could've been better, and I'm in agreement.
- I won't be directing esure to pay for additional costs Mr I has sought as these are not covered by the policy, and I'm not persuaded there is a fair and reasonable reason to do so. I have considered the inconvenience within the wider compensation below.
- Mr I has said the compensation offered is insufficient and it should pay more.
- I've thought about all of the circumstances, significant delays in places, and taking into account the poor handling I'm satisfied esure will have caused a degree of unnecessary frustration and distress to Mr I.
- There has been some back and forth about whether Mr I had provided esure with

permission for his relative to make amendments to the policy. I've listened to the call provided by esure, and while it's clear his relative is representing him on the phone in relation to the claim, I'm not satisfied this authority was clearly given to make policy amendments down the line. Mr I hasn't described any difficulties or challenges that have occurred as a result of this, so it seems the impact of this mistake is limited to just avoidable frustration for Mr I.

- Taking this into account, I'm in agreement with our Investigator's compensation of £650 is a fair and reasonable sum in the circumstances.
- Mr I has accused esure's staff of discriminating against him but hasn't provided this Service with detail to support this. So, I'm not persuaded to direct esure to do anything further on this point.

### **My final decision**

For the above reasons I am upholding this complaint and direct esure Insurance Limited to pay Mr I £650 compensation in total, taking into account any sums already paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 29 March 2023.

Jack Baldry  
**Ombudsman**