

The complaint

Ms H complains about how esure Insurance Limited trading as Sheilas Wheels (“esure”) progressed making recoveries from a third party following a claim under her car insurance policy.

What happened

Ms H had a motor insurance policy with esure covering her car.

In September 2022 Ms H was involved in collision with a third-party vehicle, which was registered overseas. The third party drove away from the collision without exchanging details.

Ms H reported the collision to esure and the police. She was able to obtain some CCTV footage of the third-party vehicle. esure repaired her car.

Ms H wasn’t happy about the way esure handled her claim. She says she had to chase it and it seemed to her that esure mis-filed the claim as one that didn’t involve a foreign vehicle.

esure later closed Ms H’s claim because the third-party’s numberplate couldn’t be confirmed. Ms H has made a separate complaint about this to this service which has now been resolved.

Ms H remained unhappy about esure’s service during her claim and brought her complaint to this service.

Our investigator looked into it and said he thought esure’s service should have been better and it should pay her £200 for her distress and inconvenience.

esure didn’t agree with the view. It said it had progressed the claim within its timescales. Because esure didn’t agree, this complaint has been passed to me to make a 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 read the file of evidence I’ve been provided, I’m upholding Ms H’s complaint and I’ll explain why.

I’ve looked at Ms H’s initial reporting of the collision to esure. In the call, she says that the third-party vehicle was foreign-registered and I can see that esure made a note of this on its system.

About two months after the collision, Ms H asked esure about its progress in recovering costs from the third party. I can see in esure’s notes that it didn’t seem to make further enquiries from the DVLA until just after this call. And the response was received one day

later.

A further two months later, Ms H again called esure about the same matter. Its call handler apparently realised esure had made a mistake as it hadn't correctly categorised the claim as involving a foreign registered car. A complaint was raised on Ms H's behalf, and shortly thereafter esure contacted Ms H to tell her about the timescales for trying to recover its costs from a third-party whose vehicle was registered overseas.

It's important that I say here that this overall timescale of some four months from the collision to this conversation is within esure's own definition of satisfactory timescales. But I don't think its service here has been good enough.

In its letter to Ms H, esure said:

"We will always progress the claim as quickly as we can; however, it is not unusual for a claim involving a foreign Insurer to take at least six months to reach settlement."

This letter was sent to her four months after the collision, but I can't see that it was based on any new information that hadn't existed shortly after the collision if esure had made the appropriate enquiries in good time.

It's clear to me that esure had the information it needed to contact the DVLA shortly after the collision, and then to seek to identify which country the car was registered in. But it failed to do this until Ms H contacted it twice.

The end result of this claim has been dealt with in a separate complaint with this service so I won't talk further about this here, but I feel I should point out that although esure maintains the timescales it was working to fit inside its expectations, it seems to me that the claim wouldn't have progressed at all without Ms H's chasing.

So I can't say esure has acted reasonably in the way it handled this claim.

I can see from her evidence that Ms H found these delays stressful and inconvenient. I've thought carefully about this and considered this service's guidelines. Being involved in a collision like this and then making a claim is going to involve a certain amount of distress and inconvenience, but I think it's clear esure has caused additional distress to Ms H by not attempting to advance the investigation of the third party until she chased it.

Taking everything into account, I think esure should pay Ms H £200 compensation for her distress and inconvenience it's reasonably caused.

My final decision

It's my final decision that I uphold this complaint. I direct esure Insurance Limited trading as Sheilas Wheels to pay Ms H £200 compensation for her distress and inconvenience. Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 22 September 2023.

Richard Sowden
Ombudsman