

## **The complaint**

Mr D complains that esure Insurance Limited mishandled his motor insurance policy.

## **What happened**

Mr D had a powerful and valuable vehicle with a cherished number plate.

Mr D took out an esure policy for that vehicle for the year from February 2022. He paid about £580.00.

In early April 2022, Mr D contacted esure to tell it of a change of registration number. Unfortunately, esure changed its records to cover a different vehicle. esure refunded about £209.00 to Mr D.

In mid- December 2022, Mr D contacted esure to tell it of a further change of registration number of his vehicle. But esure said the policy didn't cover his vehicle. On the same day, esure changed its records to cover Mr D's vehicle (until February 2023). Mr D paid an additional premium of about £37.00.

Mr D complained to esure that - from April to December 2022 - it hadn't been covering his vehicle.

By a form of final response dated late December 2022, esure apologised and said it was refunding the additional premium of about £37.00.

By a final response dated early February 2023, esure said that it had waived the admin fee of £26.00 and refunded the additional premium of about £37.00. It didn't offer any further remedy.

Mr D brought his complaint to us in late April 2023. He asked for a refund of the premium for the period April to December 2022, interest and compensation.

Our investigator recommended that the complaint should be upheld in part. He thought that esure would've covered any claims on Mr D's vehicle. The investigator said that esure's error had caused Mr D minimal distress and inconvenience. He recommended that esure should pay Mr D £75.00 compensation for that.

esure accepted the investigator's opinion.

Mr D disagreed with the investigator's opinion. He asked for an ombudsman to review the complaint. He says, in summary, that:

- He does not see any explanation from esure as to how the error occurred.
- esure stated that he would not have been on cover for the correct vehicle, nor would any claim have been upheld for the correct vehicle.
- That information gave rise to the need for his complaint.

- Later esure changed its position.
- The matter has gone on for quite some months.

### **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.

Where we uphold a complaint about an unfair act or omission, we look at the impact on the complainant. Such impact may include financial loss or non-financial loss such as distress and inconvenience. We assess compensation by reference to the actual impact on the complainant.

We don't assess compensation by reference to what the impact might've been. We don't assess compensation at a level intended to punish or deter unfair acts or omissions.

The December 2022 final response from esure included the following explanation:

*"You asked on a webform to change the registration number of your car. I was disappointed to note that our agent also updated the vehicle model please be assured feedback will be given to the agent involved..."*

So there's no doubt that esure made an error. That shouldn't have happened.

However, Mr D didn't suffer any distress and inconvenience until he found out about the error.

I accept Mr D's statement that during a telephone conversation in December 2022, esure told him that it wouldn't have covered any claims involving his vehicle for the period April to December 2022. So I can see why Mr D thought esure should refund part of the premium.

Fortunately, there was no claim on the policy between April and December 2022. But I don't doubt that the error caused Mr D some degree of concern at what might've happened if there had been a claim.

I'm satisfied that esure put the error right as soon as it came to light. But it also gave inappropriate information about whether it would've covered a claim.

I accept esure's later statement that it would've covered any claim. So I don't find it fair and reasonable to direct esure to make any further refund.

### **Putting things right**

I've weighed up the impact on Mr D. I keep in mind that – of the original payment of about £580.00 – esure refunded about £209.00 to Mr D.

Overall, I agree with the investigator that it's fair and reasonable to direct esure to pay Mr D £75.00 for distress and inconvenience.

### **My final decision**

For the reasons I've explained, my final decision is that I uphold this complaint in part. I direct esure Insurance Limited to pay Mr D £75.00 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 7 November 2023.

Christopher Gilbert

**Ombudsman**