

The complaint

Miss J complains that esure Insurance Limited have delayed in dealing with her no-fault claim which has impacted her renewal premium and caused her distress and inconvenience.

What happened

In February 2022 Miss J's parked car was damaged when a third party van drove into it. The van driver didn't provide his details and drove off, but a witness provided Miss J with the vehicle details and she passed them to esure.

esure arranged for the repairs to Miss J's car and provided a hire car. When her car was returned they advised they would now need to claim the costs from the third party's insurer.

Miss J received no further correspondence from esure until the following year.

In early January 2023 Miss J received her renewal quote from esure which was twice as much as the previous year. Miss J says she was upset about this because she has 20 years no claims discount and hadn't been responsible for the damage to her car.

She contacted esure and was told that the claim was still open and recorded as a 50/50 claim because they had been unable to settle it with the third party insurers as they didn't have the third party details. She couldn't understand how the claim was still open as she wasn't even in the car at the time it was hit and she spent several hours on the phone trying to sort this out. Esure then promised to update her but didn't.

Shortly before the renewal was due, Miss J rang esure still upset about her renewal price as she couldn't afford it. She has been unable to sleep worrying about what was happening. In the end she was able to negotiate her renewal price down to an affordable level by reducing her annual mileage.

Miss J rang again for an update about her complaint in February and after waiting a long time she was cut off and had to ring again for further updates and to complain.

After complaining, esure refunded Miss J's excess and paid compensation of £100 for the poor service, but Miss J was unhappy with this and brought her complaint to us.

One of our investigators has looked into Mrs H and Mr W's complaint and he thought that esure should pay an extra £200 for distress and inconvenience caused bringing the total to £300.

Esure didn't agree with this, and so the case has come to me to review.

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.

I'm upholding this complaint and I will explain why.

I am pleased to see that esure have refunded Miss J's excess in advance of settling the dispute with the third party insurer, as this will have in part alleviated the financial pressure that she has been under since paying the excess at the time of the repair.

So I've then thought about whether the compensation of £100 offered in addition to the £30 for reimbursement of phone calls adequately reflects the distress and inconvenience caused by the delays and poor service.

With a fairly straightforward claim I'd expect it to be progressed quite quickly. I can see that Miss J provided registration details for the third party shortly after the incident, and that esure received them.

However, the claim notes show no activity between February and May. The third party insurer then asked for further documents in July as they rejected quantum, and asked for them to be e mailed as the case wasn't suitable for the portal. However, esure sent them via the portal again in September before realising their error and finally sending them correctly in November.

This significant delay meant that by the time Miss J's renewal was due in January 2023, the claim was still open, impacting her renewal premium significantly.

Although Miss J hadn't at that point had her excess refunded, and so should have known the claim wasn't settled, I don't think she would have expected that almost nothing had happened in the 11 months since the accident. So I can appreciate how upset she will have felt receiving a high renewal based on the open claim, and then finding out that no progress had been made since the incident to claim the costs back.

Since the complaint in January esure have taken some steps but this is still unacceptably slow.

The impact on Miss J has cost her stress and worry following getting a high renewal premium, and she has had to compromise on her policy in order to get it down to an affordable figure, which has again caused her inconvenience and worry leading to sleepless nights.

I appreciate that there is no guarantee that the claim would have been settled by now, but esure's failure to make any progress on a straightforward no fault claim has delayed any resolution by at least 11 months which is significant, and they have failed to make any contact with Miss J during that period to explain that there were delays. And so in view of that I consider that it is appropriate to increase the award of compensation for distress and inconvenience.

Taking all of this into account, including the length of the delay in dealing with the claim properly, the inconvenience caused by being without the excess refund for over a year, and the impact on the renewal premium, I'm satisfied that an additional £200, bringing the total award to £300 as recommended by the investigator is a more appropriate award for distress and inconvenience.

Putting things right

To put things right, esure should pay Miss J a further £200 for distress and inconvenience bringing her total award to £300.

My final decision

I am upholding Miss J's complaint against esure Insurance Limited and directing them to put things right as above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 26 July 2023.

Joanne Ward
Ombudsman