

The complaint

Mr C complains that esure Insurance Limited delayed settling a claim made on his motor insurance policy. He wants the claim settled and compensation.

What happened

Mr C was involved in an accident and made a claim on his policy. He was unhappy that his car was taken to storage and incurred charges and that he wasn't provided with a courtesy car. And he was unhappy with the delay in the claim. He said he'd been unable to work without his car. After Mr C complained to us, esure validated and accepted his claim.

Our Investigator recommended that the complaint should be upheld. He thought esure was entitled to request a police report to validate the claim. He didn't see evidence to show when esure's agent had requested this. But he thought esure should have requested this sooner from its agent and so it had caused two months' delay in accepting Mr C's claim. He thought esure should pay Mr C £200 compensation for this and consider his loss of use whilst he was without a courtesy car.

esure replied that it didn't have access to its agent's notes to show when the police report had been requested. It asked for an Ombudsman's review, so the complaint has come to me for 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.

I can understand that Mr C felt frustrated that it took so long for esure to accept his claim. During this time, he was without transport, and he said this stopped him from working. He said he spent long times on hold whilst calling esure for updates, but it hadn't progressed his claim.

esure told us that it classed Mr C's driving at the time of the accident as informal racing and this wasn't excluded from cover. And it was now dealing with his claim, six months after the accident. esure has a responsibility to deal with claims fairly and promptly. So I've looked at the claim journey to see if esure caused any avoidable delays.

From the information Mr C provided about the accident, I think esure had reasonable grounds for concern that his claim might be excluded from cover. Mr C had told esure's investigator that he had been racing another car and he'd told the police that he accepted that he'd been driving recklessly.

And so I think it was reasonable for esure to request the police report to see if there was evidence that the racing had been organised and to confirm Mr C's version of events in order to validate his claim.

Mr C provided a statement to esure's claims investigator a month after the accident, and esure's file note made two months later confirms that the police report had been requested. But I can't see from esure's file when the agent first asked for the police report.

However, esure's file also states that the police report was available four months after the accident, but it didn't then request this from its claims investigator and review this for a further two months.

I acknowledge that esure has no control over the police's response to a request for a report. And without evidence to show when the report was first requested, I can't say that esure caused any delays in doing this. But I think esure could have requested the report available from its claims investigator sooner and then made its decision to accept the claim. I think this caused two months' avoidable delay in the claim and esure should compensate Mr C for the trouble and upset this caused.

Our Investigator recommended that esure should pay Mr C £200 compensation for this avoidable delay. I think that's in keeping with our published guidance and so I think that's fair and reasonable. As esure has now accepted Mr C's claim, I also think it should consider his loss of use whilst he has been without a courtesy car.

Putting things right

I require esure Insurance Limited to pay Mr C £200 compensation for the distress and inconvenience caused by its handling of his claim.

My final decision

For the reasons given above, my final decision is that I uphold this complaint. I require esure Insurance Limited to carry out the redress set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 17 July 2024.

Phillip Berechree
Ombudsman