

The complaint

Mrs B complains about how esure Insurance Limited (“esure”) handled two claims under her car insurance policy.

What happened

Mrs B had a motor insurance policy with esure covering her car.

In May 2023 she was involved in a collision with a third-party vehicle. The third party accepted responsibility for the collision.

Mrs B notified esure. But she chose to have the repairs done by the third-party insurer.

But the third-party insurer didn’t progress her repairs, and Mrs B re-contacted esure and asked it to arrange the repairs. She was then involved in another collision, again not her fault, that damaged the same area of her car.

The third-party insurer (a different one) again said it could carry out the repairs. But eventually this insurer said it couldn’t, due to the previous damage. It said Mrs B should contact esure.

Mrs B said esure then took some time to organise the repairs. She chose her own repairer, paying an additional excess for this.

Mrs B’s car was repaired. Mrs B wasn’t happy with how esure had conducted her claim and she complained. Her annual premium increased at renewal from about £349 to about £1249 during the time of the claims.

Her complaint reached this service as it ‘timed out’ with esure. She asks that the two third party insurers refund her excesses she’d paid. She asks that they pay for her inconvenience. She complains about esure’s slow claims handling and progress.

esure responded and said it would pay Mrs B £150 compensation for poor communication and delays approving her repairs.

Our investigator looked into it and thought esure’s communication with Mrs B hadn’t been very good. But she thought its offer of £150 compensation was fair.

Mrs B didn’t agree with the view. She says she was able to organise repairs within a week, so asks why the entire process took six months. Because she didn’t agree, her 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.

It’s important I begin by saying to Mrs B what I’m able to consider under her complaint.

I'm not able to consider the points she's raised about the two third-party insurers because Mrs B didn't have a policy with either of them. As such, their actions in telling her they could, and then failing to, repair her car don't fall into the remit of this service.

What I'm able to consider is esure's actions during her claims up to the date of its final response to her.

If Mrs B is unhappy with esure's actions after that date, then she's free to bring a further complaint to esure, and this service in due course if she remains unhappy.

It may assist if I explain some of the issues she's encountered during her claim.

The repairs

When the first collision happened in mid-May 2023 Mrs B notified esure as required under the terms of her policy. She was contacted by the third-party insurer which said it could repair her car – she agreed with this. About two months passed and repairs hadn't happened, so Mrs B came back to esure and asked it to help in mid-July.

I can't fairly say esure was responsible for the first two months of delays, as Mrs B chose to use the third-party insurer's service.

But around the same time as she asked for help from esure, her car had been hit in the same general area by another third party.

Again, Mrs B chose to let the third-party insurer handle her repairs rather than using esure.

About 3-4 weeks passed and the third-party insurer apparently told Mrs B it couldn't carry out the repairs. I can't fairly say esure are responsible for this delay.

Mrs B then contacted esure to ask it to pay for her repairs. I can see from the file that she asked it to pay for repairs to be done by her chosen repairer. She checked on esure's progress in early September and it said it was waiting for her repairer to send it a fully costed estimate, in line with its processes.

This estimate was received by esure in late September and its process could then commence. With the two areas of damage from each of the collisions, the situation was complex, but I can see both claims were authorised about a week after the estimates were sent by Mrs B's repairer to esure.

I've said above that I can't fairly say esure was at fault for the actions of the third-party insurers. It seems to me that Mrs B, by choosing twice to use the third-party companies, delayed her own claim by about three months in total. I'm sure those waits felt like esure wasn't helping her, but she'd told it she was making the claim elsewhere.

From the file, when Mrs B re-engaged with esure on 16 August, she apparently told it she'd use her own repairer. I can see notes during this time apparently showing esure had instructed its own authorised repairer, but for whatever reason Mrs B didn't want to use it. I've not been able to listen to the call on 16 August, but I can see Mrs B was told on 4 September what esure would need. And Mrs B's repairer seems to have dealt with that by 29 September.

Taking everything into account, I can't fairly say esure are responsible for the delays to Mrs B's claim. She chose to have her claims dealt with by third parties, and when she decided to use esure again, it's dealt with her reasonably effectively. Delays in her repairs seem to be

due to her repairer sending its estimate to esure, rather than esure not dealing with her claim.

I can appreciate Mrs B's comments that the repairs "took six months" but I think her choices were the primary cause of the delays she encountered, and not esure's actions.

I can see from the file that there were periods of time when esure didn't communicate effectively with Mrs B, including not replying to her questions. I can also see it perhaps some small delays in the claims process caused by it not being clear about what it needed.

esure has responded to Mrs B's complaint about this and offered her £150 compensation. I've looked at this service's guidelines and I think its offer is fair.

Renewal

It may help Mrs B if I explain that the word 'fault' used by insurers means that it hasn't been able to recover its costs fully from a third party responsible for a collision like the ones involving Mrs B.

So, although she's content that both collisions were entirely the faulty of the third-party drivers, until esure makes its recoveries the claims would be recorded on its system as being 'fault'. So when it offered Mrs B renewal, both claims were 'open' because esure's process wasn't complete, and were recorded as 'fault'.

This is the normal way for the industry to operate and I think esure's approach is fair.

What this means is that Mrs B's premium at renewal was affected substantially. But when esure is able to recover its payments, Mrs B's No Claims Discount (NCD) would be re-adjusted and her premiums likely refunded in part. I can see from her responses that Mrs B is aware of this.

As part of her insurance policy, Mrs B chose a certain level of excess she'd pay towards each claim. esure would return that excess to her when it completes its own recovery of money paid. And this would include the extra excess Mrs B chose to pay when she chose her own repairer.

Any insurance claim brings with it some stress and disruption from normal life, and unfortunately for Mrs B she had two incidents to deal with. But I don't find esure's actions in how it's dealt with Mrs B's policy renewal unfair or unreasonable.

My final decision

esure Insurance Limited has already made an offer to pay £150 to settle the complaint and I think this offer is fair in all the circumstances.

So my decision is that esure Insurance Limited should pay £150, if it hasn't already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 16 August 2024.

Richard Sowden
Ombudsman