

## **The complaint**

Miss A has complained about esure Insurance Limited. She isn't happy about the way it dealt with a claim under her motor insurance policy.

## **What happened**

I looked at this case and provided my initial thoughts in my provisional decision as follows;

*Miss A made a claim under her motor insurance policy and her car was eventually deemed a total loss. When esure looked into things for Miss A it delayed in writing the car off and settling the claim. And when it eventually settled it paid more than was owed to the finance provider and Miss A thought the additional amount should have been paid to her.*

*As Miss A wasn't happy about this and the way esure had dealt with the claim she complained to esure about this. She said it left her without a car; provided her with poor service; and paid the finance provider more than was owed which has left her out of pocket.*

*When esure looked into Miss A's complaint it acknowledged that its service was poor, that there was some delay when Miss A was without her car and offered £50 compensation and £70 loss of use. But Miss A remained unhappy, so she complained to this Service.*

*Our investigator looked into things for Miss A and he upheld her complaint. He thought that esure delayed in dealing with the settlement of Miss A's car and paid the finance company more than it should've done. And so, he thought esure should pay Miss A the additional money owed from the valuation of her car now, as she hasn't been able to recover the additional money owed from the finance provider, plus £300 (total) compensation. And he thought esure should pay loss of use for the time Miss A was without her car while it delayed finalising her claim in addition to its initial offer.*

*As esure didn't agree the matter has been passed to me for review.*

## **What I've provisionally 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 done so, I've provisionally formed a different view to our Investigator, but I wanted to give both sides chance to comment before I finalise my decision. I'll explain why.*

*While this matter has been with me for consideration I've asked the Investigator to make further contact with esure to try and fully understand what happened with the finance provider and the overpayment. And esure has now explained it paid Miss A's representative what was owed under the policy in July 2023 and that no further money was owed to Miss A – although the finance provider owes esure money.*

*When Miss A's claim was made it valued her car and paid the market value of the car (£27,141). The finance provider was owed just over £23,000 and esure paid the remainder to Miss A's representative less her policy excess which is what should have happened.*

*However, the matter was complicated by the fact that esure overpaid the finance provider. And suggested to Miss A's representative that they could ask for the money back from the finance provider. But as esure have now paid Miss A the full market value of her car any overpayment would be due to esure which it is advancing with the finance provider. So, as Miss A has been paid the full market value of her car (part to the finance provider and the remainder direct to her) esure has done all it was obliged to under the contract.*

*However, esure hasn't explained its position very well and told Miss A's representative that they were entitled to the overpayment when they weren't. This has led to a fair degree of stress, worry and inconvenience for Miss A so I still think she should be paid the £300 compensation suggested by our Investigator. And I think the level of loss of use esure has already paid feels fair and so I won't be asking it to pay anymore.*

*I know this will come as a disappointment to Miss A who was expecting a further payment. But esure have paid what was owed under the policy although it is a shame that there was a miscommunication around the overpayment to the finance provider.*

## **Replies**

esure responded to acknowledge receipt of my provisional decision and said that it agreed with the position outlined. While Miss A didn't respond.

## **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.

As Miss A didn't respond and esure didn't comment other than to say it agreed I don't propose to go over the detail or rehearse the arguments again here or to change the position outlined. And so, I remain of the view that the complaint should be partly upheld and that esure should pay Miss A £300 by way of compensation in acknowledgement of the stress, worry and inconvenience caused.

## **My final decision**

It follows, for the reasons given above, that esure Insurance Limited should pay Miss A £300 compensation. Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 19 October 2024.

Colin Keegan  
**Ombudsman**