

The complaint

Mr K complains esure Insurance Limited (esure) did not fairly settle his claim after he made a claim on his motor insurance policy and it caused delays to progression of the claim.

esure are the underwriters of this policy i.e. the insurer. Part of this complaint concerns the actions of the intermediary. As esure have accepted it is accountable for the actions of the intermediary, in my decision, any reference to esure includes the actions of the intermediary.

There are several parties and representatives of esure involved throughout the complaint but for the purposes of this complaint I'm only going to refer to esure.

What happened

In November 2023 Mr K was involved in a collision with a third-party vehicle causing damage to his car. The car was initially still drivable.

Mr K informed esure about the accident of which he said was the fault of the third-party. A hire car was provided when he informed esure that there were issues with the battery making it undrivable.

Mr K had an accident in the hire car. He said he was not at fault for this incident. Because the third-party insurer had not accepted fault for the incident Mr K was required to pay his policy excess for the required repairs to the courtesy car.

Due to a lack of availability in esure's approved network Mr K's own car was taken to a garage of his choice. An engineer undertook an independent review of the damage and provided an estimate of the work required to repair the damage to the car body caused by the accident. esure said the issue with the car electric battery was found not to be caused by the accident and therefore it was not covered.

Based on its approved engineers estimate for repairs, esure made a cash settlement offer for the bodywork repairs to be undertaken at the garage of Mr K's choice.

Mr K said the issue with the car electric battery was related to the accident and that esure should also cover repair of it.

esure paid Mr K £150 compensation for the poor level of communication during the claim and for excessive call queues he encountered when trying to make contact with it.

Because Mr K was not happy with esure, he brought the complaint to our service.

Our investigator upheld the complaint. They looked into the case and said esure had fairly settled the two claims as per the terms of Mr K's policy. However they said esure should pay a further £100 compensation for the distress and inconvenience caused to Mr K due to the service received from it.

As Mr K is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

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.

Repairs

I looked at the inspection report produced by the independent engineer who was instructed by esure. This confirmed the car had suffered a glancing blow, to one side. It said at the time of its inspection the vehicle powered up without any display warnings present. It concluded that any fault with the electric battery or associated components do not relate to the collision, due to the light nature of the impact.

The report recommends further investigation into the electrics in the car to confirm the time and date of the first occurrence of any stored faults to understand when this fault occurred.

I know Mr K feels strongly that the issue with the battery on his car is related to the accident and that it is esure's responsibility to repair this fault. I understand Mr K provided evidence to esure of a service that was undertaken on the car but this was not accepted as confirmation of damage being caused by the accident.

I saw an esure engineer reviewed the independent inspection report and was satisfied with the findings and he contacted Mr K to discuss this. esure said if Mr K can provide it with an independent report that confirms the issue with the electric battery is accident related it would revisit the matter. And if it led to further repairs related to the accident it will cover the costs.

I have considered if it is fair for esure to pay for such tests and I don't think it is. This is because it has already paid an expert to assess the damage which concluded the electric battery fault is not linked to the accident in question.

As I have not seen any other evidence that links the issue with the electric battery to the collision I am persuaded by the independent engineer's report that the issue with the electric battery isn't related to the incident. esure only needs to pay for damage caused by the incident Mr K is claiming for, so I cannot tell it to cover the cost of any work required with the electric battery without evidence that confirms the damage is related to the incident.

I am satisfied the cash settlement offer for the repairs to the car body work is fair.

A hire car was provided to Mr K when his car became undriveable, and after the accident in the hire car, another was provided. I saw this was returned by Mr K when he became unable to drive due to the second incident.

I saw a hire car was provided again at the start of February 2024 for a period of 21 days.

I am satisfied car hire was provided as per the terms of the policy.

Claim liability

I understand that in both incidents the third-party accepted fault to Mr K.

In this case esure have confirmed

- First claim. It has still been unable to recover its costs from the third-party insurer. The claim is recorded as non-fault, bonus allowed.
- Second claim. This has yet to be settled as esure is waiting for its outlays to be paid. esure have confirmed this claim is showing as non-fault. I saw evidence it has told the third-party insurer to reimburse the policy excess directly to Mr K.

Although I understand Mr K would like liability to be resolved quickly, esure and both of the third-party insurers have to discuss the claims based on the information they have and agree how the costs and losses incurred are settled. This can take some time. Even when the third-party driver accepts fault as in this case, esure need to agree this with the third-party insurer.

Because I have seen evidence esure are still actively pursuing the two claims and that it has currently recorded the claims as non-fault, I think this is fair and reasonable in the circumstances.

Delays

I acknowledge there were delays at the start of Mr K's claim due to esure being unable to allocate an approved repairer from its own network. Because of this esure agreed for Mr K to take his car to a garage of his own choice without incurring the usual £200 excess fee for doing this. I am satisfied esure took reasonable steps to address this delay.

esure accepted its communication had been poor and it apologised for this. It said issues were caused due to changes in the digital technology it uses. It said this had impacted its ability to answer calls, chats and emails as quickly as it would like. It paid Mr K £150 as an apology.

Our investigator said esure should increase this amount by a further £100 and esure agreed with this.

I understand that Mr K has suffered with stress and how he was feeling after the accidents and said dealing with esure had contributed to these stressed feelings. I recognise this will have been a difficult time for him.

After consideration of this I think a total of £250 is fair for the distress and inconvenience caused in the circumstances of this case.

Therefore, I uphold Mr K's complaint and require esure to pay a further £100 in compensation for the distress and inconvenience caused to him by the poor level of service received.

My final decision

For the reasons I have given I uphold this complaint.

I require esure Insurance Limited to pay Mr K a further £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 9 October 2024.

Sally-Ann Harding
Ombudsman