

The complaint

Mr C complains about the way esure Insurance Limited (esure) handled the claim he made under his motor insurance policy.

What happened

The circumstances of this complaint will be well known to both parties and so I've summarised events. In December 2023 Mr C was unfortunately involved in an accident involving another vehicle and so reported the incident to esure. As Mr C had a high policy excess, he wanted liability to be agreed before proceeding with the repairs to his vehicle. In February 2024 Mr C raised a complaint. He said esure took four weeks to send its allegations to the third party insurer and this was only after he had chased it. He said there were long queues to speak to esure and its handlers had been rude to him.

On 15 April 2024 esure issued Mr C with a final response to his complaint. It said it recognised the dissatisfaction Mr C had experienced due to its handling of the claim and the delays from various departments. It said it would pay Mr C £125 compensation to acknowledge this. Following further correspondence with Mr C, it paid a further £225 compensation bringing the total compensation paid to £350. Mr C referred his complaint to this Service. He explained his vehicle needed to be returned and the claim was impacting the cost of his new policy. He paid to repair his vehicle and withdrew his claim. He said he thought esure should reimburse him the cost of repairing his vehicle and his policy premium.

Our investigator looked into things. She said she thought there was a delay in esure contacting the third-party insurer initially, but it had made reasonable attempts to contact the third-party insurer following this. She said she thought Mr C was required to pay his policy premium in line with the terms of his policy, and didn't think esure's actions had impacted the outcome of the claim. She said she thought the £350 compensation esure had paid was fair in the circumstances.

Mr C didn't agree. He said esure had only contacted the third-party insurer following his chases. He said he had spent considerable time calling esure for updates and one of its handlers had been very rude to him. He said he didn't think the compensation paid was reasonable in the circumstances.

As Mr C didn't agree with our investigator, the complaint has been passed to me to decide.

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 want to acknowledge I've summarised Mr C's complaint in less detail than he's presented it. I've not commented on every point he has raised. Instead, I've focussed on what I consider to be the key points I need to think about. I mean no discourtesy by this, but it simply reflects the informal nature of this Service. I assure Mr C and esure I've read and considered everything that's been provided.

The relevant rules explain esure should handle claims promptly and fairly. esure have acknowledged it hasn't handled Mr C's claim as well as it should have done and so have paid Mr C £350 compensation. Therefore, I've considered whether this is reasonable to acknowledge the impact on Mr C.

Based on the evidence provided I think the way esure handled Mr C's claim has caused him some distress and inconvenience. It took longer than it should have done to send its initial allegations to the third-party insurer. Additionally, I can see Mr C has spent considerable time calling esure looking for updates on liability, sometimes waiting on hold for periods of over an hour. And whilst I think esure were in regular contact with the third-party insurer, much of this contact came following Mr C chasing it for an update. I've also seen a copy of the live chat conversation Mr C had with esure, and don't think the handler spoke to Mr C appropriately. All of this would have caused Mr C unnecessary distress and inconvenience.

I've considered the overall impact esure's actions have had on Mr C. He has explained as liability wasn't resolved before he needed to return his vehicle and take out new insurance, he paid for the repairs to his vehicle and cancelled the claim.

Even had esure been more proactive, I don't think it would have received an admission of liability from the third-party insurer prior to Mr C's vehicle needing to be returned. Mr C hadn't had his vehicle repaired and the third party was disputing liability. As no costs had been incurred, esure was only able to chase the third party for an admission of liability which I can see it did. Whilst the third-party said it would provide esure with CCTV of the incident, I can't see this was ever received despite esure's multiple requests. And without seeing this CCTV, there's no certainty of how this would have impacted the outcome of liability. Overall, I'm not persuaded esure's actions have impacted the outcome of Mr C's claim.

Taking into consideration the errors I hold esure responsible for, I think £350 compensation is reasonable to acknowledge the distress and inconvenience caused to Mr C. I think an award of this amount fairly takes into consideration the considerable time Mr C took chasing esure for updates, and the distress he was caused due to the way esure's handler spoke to him.

My final decision

For the reasons I've outlined above, I don't uphold Mr C's complaint about esure insurance limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 12 May 2025.

Andrew Clarke
Ombudsman