

The complaint

Mr J has complained about his car insurer, esure Insurance Limited (Esure). Mr J says that it unfairly declined his claim for accident damage, caused delays and additional damage to his car, which he has since had to dispose of.

What happened

Mr J was driving on the motorway when his car failed. He thought there had been a bang, so he believed he had hit something on the road which had caused the engine to fail. He made a claim to Esure.

Esure initially told him the car was a total loss (beyond repair), then it changed its mind and said it would be taken to its repairer. But Esure then decided to decline the claim. It said that was because there had simply been an engine failure, rather than an accident which had caused damage.

Mr J was unhappy with what had happened, including Esure's decline. Esure wasn't minded to change its mind on the decline but said it would pay Mr J a total of £450 compensation for any upset he'd been caused. It said it would return the car to Mr J.

When the car was returned, Mr J noted the boot was held in an almost but not totally closed position with heavy duty tape. Mr J complained to Esure – the boot had been shut when it had taken the car away, he felt the fact it now would not shut had, logically, to be its fault. Esure said photos of the car before it collected it showed a misalignment of the boot, it concluded damage had previously been suffered to the rear of the car and that was why the boot would not now shut. It didn't accept it had done anything to cause the problem and wouldn't do anything to rectify it.

Mr J asked the Financial Ombudsman Service to consider everything that had happened.

Our Investigator noted some failures with Esure in its claim handling, but he felt its decline of the claim had been fair. He was satisfied the compensation paid to reflect the upset caused by the way the claim had been handled was reasonable. He was satisfied Esure had no liability to Mr J for the boot.

Mr J disputed our Investigator's findings about the boot. He explained he had bought another car from his brother, before Esure returned his car. He had disposed of his car because it was causing a nuisance parked outside his house in a state of disrepair.

The complaint was referred to me for an Ombudsman's decision. Having reviewed everything, I was minded to think Esure had returned Mr J's car to him in worse condition than it had been when it was taken into its care. I wrote to both parties on the issue of the boot. I said:

"I'm the Ombudsman reviewing Mr J's case for decision. Before I complete my findings about the other complaint points, I wanted to write to both parties about the boot lid. I intend to make Esure pay £250 for this."

Esure has said there was most likely a pre-existing issue with the boot lid. I note its engineer has said there was a misalignment. I have seen the photos. I think it is possible there was some misalignment. But, for me, the issue is far simpler than that.

Before Mr J's car was collected by Esure, he had a car with a boot which shut. When the car was returned to Mr J, the boot would not shut and had to be held in an almost shut position with tape. I do not think that is fair or reasonable.

Mr J has disposed of the car. If he had not, I might have made Esure fix the boot. As it is, all I can do is award compensation for the distress and inconvenience caused to Mr J because Esure returned the car to him in an unsatisfactory condition. For that, as I said above, I think it should pay £250."

Mr J said he was pleased to have been listened to regarding the boot. He reiterated that Esure had promised to send someone to view the car – but this hadn't happened and Esure's decision had been made based on photos.

Esure acknowledged receipt of my findings on the boot. But it didn't offer any comment.

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.

Having done so, I don't intend to depart from what our Investigator said about Esure's claim handling and decline. And I remain satisfied by what I've said to both parties about the boot.

I trust both parties will understand that ours is an informal service. As such our decisions can be brief, focussing on key issues at the heat of a complaint. I can assure both parties, however, that everything they've said and provided has been considered.

Mr J has complained about Esure's claim handling. Esure has accepted, to the point of declining the claim, that it made some failings when handling the claim. Its paid £450 compensation to make up the upset caused to Mr J. Our Investigator felt that was fair, Mr J did not dispute that. I'm satisfied that Esure, having failed Mr J in handling the claim, paid fair and reasonable compensation in redress and I'm not going to require it to pay anything more in this respect.

Esure declined Mr J's claim. He felt that was unfair because he believed an accident of some sort had occurred which had caused the engine of his car to fail. I know Mr J feels his belief is backed up by his friends, who also recount that a noise was heard and/or an impact was felt before the car failed. Esure though had an engineer inspect the car.

As well as investigating the engine, the engineer assessed the underside of the car to see if there was any sign of impact damage – such that might occur if Mr J had driven over something, and which might have damaged the engine. The engineer was satisfied there was no such damage and it was his conclusion that the engine had simply failed. Esure's policy doesn't offer cover to Mr J in that event. I'm satisfied it was reasonable for Esure to rely on its engineer's expert view over the opinion of Mr J and his friends. It follows that I find Esure's decline of the claim was fair and reasonable.

Turning to the boot – I note Mr J has welcomed my initial findings and Esure has not commented on them. I'm still satisfied that, when Esure took the car into its care, the boot was closed, and it was not held in that position by use of tape or similar. I'm also still

satisfied that it was reasonable for Mr J to expect the car to be returned to him in a similar condition – which Esure did not do. Mr J disposed of the car – but I'm not persuaded that was only because of the boot issue. Clearly Mr J had a car with an engine which required fixing, with Esure having reasonably declined the claim for that. And Mr J had already purchased a replacement or alternative car. But I don't doubt the boot issue caused Mr J upset and I remain of the view that Esure should pay £250 compensation for that. That is separate and in addition to the £450 Esure paid previously for upset caused by the way it handled the claim.

My final decision

I uphold this complaint. I require esure Insurance Limited to pay Mr J £250 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 31 July 2025.

Fiona Robinson
Ombudsman