

## **The complaint**

Mr and Mrs R complained that esure Insurance Limited (“esure”) declined to pay them directly for the cost of repairs to their car following an accident, under Mr R’s motor insurance policy.

I’ll refer to Mr R in my decision for ease.

## **What happened**

Following an accident Mr R contacted esure to make a claim, which it accepted. He wasn’t comfortable with the garage esure intended on using so obtained an estimate from another garage. This was authorised by esure. But Mr R said it refused to send him the money so he could pay the garage himself. He said this caused him difficulties and he didn’t understand why esure refused to agree to this. esure didn’t change its decision so Mr R complained.

In its final complaint response esure told Mr R that its process is to pay the garage directly for its work. This is to ensure the repairs take place and that there is a paper trail. esure said its policy terms state it will pay for damage to be fixed, but it can decide how to do this.

Mr R didn’t think esure had treated him fairly and he referred the matter to our service. Our investigator didn’t uphold his complaint. He thought esure had complied with its policy terms when it agreed to pay Mr R’s garage for the repairs.

Mr R didn’t accept our investigator’s findings. He said esure had been inconsistent regarding the possibility of a cash settlement. He didn’t think its reasoning for paying the garage directly was credible and said this didn’t allow him to manage the repairs effectively.

Because of this he asked for an ombudsman to consider his complaint.

It 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.

Having done so I’m not upholding Mr R’s complaint. I’m sorry to disappoint him but I’ll explain why I think my decision is fair.

I’ve checked Mr R’s policy terms and conditions to understand what esure is expected to do in the event of a damage claim. Under the heading “*Loss or damage to your car*” the terms say:

“*We will:*

- *Pay to get it fixed;*
- *Replace what’s been lost or damaged; or*

- *Pay for what's been lost or damaged.*

*We'll decide which of these methods will be used to settle your claim."*

I think these terms are clearly written. These are common terms used across the insurance industry. So, I don't think these terms are inherently unfair.

Mr R explained that he wasn't comfortable using the garage esure appointed to repair his car. This was based on unfavourable reviews he'd read. Also, that when visiting the garage, he saw repairs being carried out in a way he thought was unprofessional. In addition, the garage failed to provide him with an estimate. For these reasons Mr R wanted to source a different garage.

In these circumstances I think it was reasonable that esure agreed to authorise the repairs at an alternative garage Mr R was happier with. However, the crux of his complaint is how the repairs were to be paid for. esure confirmed the garage would be paid directly once the repairs were completed. Whereas Mr R wanted the money paid to him so he could then pay the garage himself.

Based on the policy terms I can't see that what esure proposed was unfair. It's required to pay for the insured damage to be fixed. It agreed to do this. I acknowledge Mr R's comments that the terms don't prohibit a cash payment being made direct to the insured. But by paying Mr R's appointed garage for the completed repair work esure will have complied with its policy terms. It's not the role of our service to interfere with how an insurer runs its business. We're not the industry regulator. That role is performed by the Financial Conduct Authority. Our role here is to consider whether esure treated Mr R fairly and reasonably. As esure followed its established process, and it complied with its policy terms, I don't think it treated Mr R unfairly.

I've thought about Mr R's comments that esure agreed to cash settle a different claim he'd made. I acknowledge the point he's made. But this doesn't show that esure should have paid Mr R directly in relation to this claim. I don't think this demonstrates that esure acted improperly or contrary to its policy terms and conditions.

Mr R also referred to two decisions our service made in relation to separate and unrelated complaints about esure. The decisions made in these cases involve different circumstances. This doesn't persuade me that I should uphold Mr R's complaint. My decision here is based on the information and circumstances of his specific complaint.

Mr R says esure told him it would cash settle his claim. I can't find reference to this in the claim records. That said I have no reason to doubt Mr R's recollection of what was discussed. But if this was said it's clear it was an error. I don't think this should mean that esure must pay Mr R instead of paying the repairing garage.

In its submissions to our service esure said that when it authorises an estimate, it then becomes liable for the costs involved. It said if Mr R didn't pay the garage using the money it provided it could be liable to pay twice. I think it makes a fair point. By no means am I suggesting that Mr R would withhold payment unfairly. But I understand the risk esure described here. That said, this is essentially a moot point. As discussed, the evidence shows esure intended to comply with its policy terms by paying Mr R's appointed garage for the repairs. So, I can't say it's done anything wrong in how it dealt with this claim.

I acknowledge Mr R's request for his additional concerns to be included within this complaint. He said he'd contacted esure to accept its offer to settle his claim. But it's delayed matters by referring to a further validation process. I acknowledge Mr R's comments that this

issue is part of the same complaint. But this happened sometime after esure sent its final complaint response. This means it must be raised as a separate complaint with the business prior to our service getting involved. If after Mr R receives a final complaint response, he remains unhappy, or if esure takes longer than eight weeks to respond, Mr R can contact our service again.

Having considered all of this, although I understand why Mr R wanted esure to pay him rather than the garage, I don't think the business acted unfairly when relying on its policy terms and agreeing to settle the claim in the way it said it would. So, I can't reasonably ask it to do anymore.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R and Mr R to accept or reject my decision before 18 August 2025.

Mike Waldron  
**Ombudsman**