

The complaint

Mr L complains that esure Services Limited (“esure”) mishandled his motor insurance policy.

What happened

Mr L took out a policy through esure to cover a small car for the year from 20 April 2023. He told esure that his occupation was an HGV driver.

The policy booklet included the following:

*“About esure Services Limited
esure Services Limited acts on your behalf to arrange and administer your policy and the optional extras/lifestyle packs as set out in Your Agreement with esure Services Limited. To make things simple, you only need to contact esure Services Limited, in relation to your policy”*

In about August 2023, Mr L changed the car small car insured on the policy for a larger car.

Esure says that on 20 March 2024, it emailed Mr L a renewal invitation, saying that the policy wouldn’t automatically renew on 19 April 2024.

Mr L didn’t renew the policy, so it expired on 19 April 2024.

Mr L says that later in April 2024, an automated number plate recognition camera caught him driving the (larger) car.

Police prosecuted Mr L for driving without insurance (offence code “IN10”).

In about early May 2024, Mr L complained to esure that he hadn’t received a renewal invitation or any notification about the expiry of the policy.

Mr L got six penalty points and a fine.

On about 17 June 2024, esure sent an email to Mr L saying that it would send him an email saying that he had been uninsured due to its error and it would also send him £60.00.

However, by a final response dated 28 June 2024, esure turned down the complaint.

Mr L brought his complaint to us in late July 2024.

our investigator’s opinion

Our investigator recommended that the complaint should be upheld. He didn’t think that esure did enough to warn Mr L that his policy would lapse. The investigator thought that esure’s actions led to Mr L receiving driving licence points and a fine.

The investigator recommended that esure should:

“Reimburse Mr D (sic) the sum of £1000 for the fine he received for driving without insurance on production of a receipt, plus interest at the simple rate of 8% from the date on which Mr D (sic) paid the fine to the date Esure reimburse him. Pay Mr [L] £200 in compensation for the distress and inconvenience caused. This amount being in line with our approach for complaints that are similar in nature. Provide Mr [L] with a letter of indemnity confirming that the policy lapsed in error and wasn’t his fault. Compensate Mr [L] for any future premium increases to his personal car insurances which he may have because of his conviction. Esure should calculate these increases, multiply them by five (the number of years Mr [L] will need to disclose it for), and then pay half of the total amount.”

Mr L acknowledged the investigator’s opinion.

Esure disagreed with the investigator’s opinion. It asked for an ombudsman to review the complaint.

my provisional decision

After considering all the evidence, I issued a provisional decision on this complaint to Mr L and to esure on 1 May 2025. I summarise my findings:

I kept in mind all the inadequate and conflicting information I’d noted in esure’s communication. I’d weighed up the impact of that on Mr L.

Mr L wasn’t going to provide any evidence of increased cost of insurance as a result of the IN10 – and any such increased cost was no longer continuing. So I wasn’t minded to find it fair to direct esure to compensate Mr L for the impact of the IN10 on his insurance premiums.

From what Mr L has told us, he paid a fine of £300.00. So I didn’t agree with our investigator’s recommendation that esure should reimburse £1,000.00 (“on production of a receipt”).

I expected Mr L to respond to the provisional decision by providing evidence of payment of the fine. Subject to that, I was minded to direct esure to reimburse him, with interest at our usual rate from the date of his payment.

The impact of esure’s inadequate and conflicting information also included extra distress and inconvenience when Mr L was already worried about his job security, his finances and (by extension) his home and his family life. The impact also included that Mr L thought that esure was ignoring him and didn’t care.

Subject to any further information either from Mr L or from esure, my provisional decision was to uphold this complaint. I intended to direct esure Services Limited to pay Mr L:

1. £300.00 in reimbursement of the fine, provided that Mr L has sent us evidence of the date and amount of his payment; and
2. simple interest on such sum of £300.00 at a yearly rate of 8% from the date of Mr L’s payment to the date of esure’s reimbursement. If esure considers that it’s required by HM Revenue & Customs to take off income tax from that interest, it should tell Mr L

how much it's taken off. It should also give him a certificate showing this if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate; and

3. £200.00 for distress and inconvenience.

Mr L responded to the provisional decision by sending us evidence that police gave him a conditional offer, and that he accepted the offer and paid the fine of £300.00 on 28 May 2024.

Esure accepted the provisional decision.

Mr L asked us for *"a letter/email stating this so I can sent to ticket office to hopefully have the 6 points removed from my license please"*.

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 accept that in April 2023, the policy schedule said that the policy wouldn't automatically renew in April 2024.

I accept that in August 2023, Mr L did a change of vehicle. I haven't seen enough evidence that he asked for any other changes. I accept that the August 2023 policy schedule also said that the policy wouldn't automatically renew in April 2024.

I've seen esure's renewal invitation dated March 2024. It also said that the policy wouldn't automatically renew in April 2024. I accept that Mr L didn't see that invitation. However, I don't hold esure at fault for that as I'm satisfied that esure sent the email to Mr L.

I consider that Mr L must bear some responsibility for failing to note the need to renew the policy and for failing to notice that he hadn't paid for a new policy year from April 2024.

Nevertheless I would expect esure to have contacted Mr L again to confirm that his policy had expired. I haven't seen enough evidence that esure did so.

By early May 2024, Mr L had realised that police were correct that the policy had expired. He was worried about the consequences, including a potential fine of £1,000.00 and a potential loss of his job as an HGV driver.

I consider that esure made things worse by sending Mr L the policy schedule for the small car that he had changed. Also, esure gave Mr L conflicting information about the method by which it had sent him the renewal invitation.

On 17 June 2024 esure told Mr L that it would send him an email saying that he had been uninsured due to its error and it would also send him £60.00.

However, on 28 June 2024, esure changed its position, sending a final response turning down the complaint. That was further conflicting information.

I keep in mind all the inadequate and conflicting information I've noted in esure's communication. I've weighed up the impact of that on Mr L. That included not giving Mr L a last chance to get car insurance on 19 April 2024.

Putting things right

Our investigator's opinion included the following:

"Mr L should contact his insurers to find out how much additional premium they have paid because of his conviction, and show this to Esure"

I haven't seen enough evidence from Mr L of the impact of the IN10 on his premium for the year from late April 2024. Rather, on 9 April 2025, Mr L told us the following:

"I've ended up selling the vehicle due to the increase in the insurance and for the amount I was using it just didn't add up as Monday to Friday it was parked in my yard doing nothing as I now work away all week, I just have a long stroll on a Monday and Friday getting to and from the yard."

From that, I find that Mr L isn't going to provide any evidence of increased cost of insurance as a result of the IN10 – and any such increased cost is no longer continuing. So I don't find it fair to direct esure to compensate Mr L for the impact of the IN10 on his insurance premiums.

From what he told us on 9 April 2025, I also find that Mr L has kept his job as an HGV driver notwithstanding the IN10 about a year ago.

Our investigator recommended that esure should send a letter of indemnity. However, I don't consider that this would serve any purpose at this late stage, especially as Mr L no longer has a car or a motor insurance policy.

Mr L paid a fine of £300.00. As I expected, Mr L has responded to the provisional decision by providing documentary evidence of payment (on 28 May 2024) of that fine. So I will direct esure to reimburse him, with interest at our usual rate from the date of his payment.

The impact of esure's inadequate and conflicting information also included extra distress and inconvenience when Mr L was already worried about his job security, his finances and (by extension) his home and his family life. The impact also included that Mr L thought that esure was ignoring him and didn't care.

I'm satisfied that £200.00 would be fair and reasonable compensation for distress and inconvenience, and in line with our published guidelines.

Mr L has asked for written confirmation of the provisional decision and esure's acceptance of it. For that reason, I'm issuing this final decision, which Mr L may show to third parties including relevant authorities or prospective insurers. However, Mr L accepted the penalty points on his licence and it's beyond my power to get them removed.

My final decision

For the reasons I've explained, my final decision is that I uphold this complaint in part. I direct esure Services Limited to pay Mr L:

1. £300.00 in reimbursement of the fine; and
2. simple interest on such sum of £300.00 at a yearly rate of 8% from 28 May 2024 to the date of esure's reimbursement. If esure considers that it's required by HM Revenue & Customs to take off income tax from that interest, it should tell Mr L how

much it's taken off. It should also give him a certificate showing this if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate; and

3. £200.00 for distress and inconvenience.

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

Christopher Gilbert

Ombudsman