

The complaint

Mr H is unhappy with the policy limit esure Insurance Limited (“esure”) applied when he claimed under his contents insurance for fire damage.

When I refer to what Mr H said and what esure said, it should be taken to include things said on their behalf.

What happened

The background to this complaint is well-known to both parties, so I’ve summarised what I think are the key events.

In 2022, Mr H bought contents insurance, underwritten by esure, using an online price comparison site. He claimed under his policy following a fire at his home that had started the evening before the policy expired. To begin with, esure said the policy had expired. This matter was resolved within two days and esure accepted the claim.

Mr H was unhappy that esure offered £16,550 which it said was the policy limit. He said he’d taken out insurance up to £50,000 and, on a call to esure, its agent agreed to honour that amount. Subsequently, Mr H received conflicting information from esure about his policy limit. He complained, and esure confirmed the limit on the policy, and the most it would pay, was £16,550. However, because it hadn’t provided consistent information, or handled matters as well as it could’ve done, esure offered £300 compensation for the distress and inconvenience caused.

Mr H accepted the compensation for the initial mistakes regarding the policy expiry date, but he didn’t think it adequately addressed his complaint about the policy limit.

esure issued two final responses to Mr H’s complaint. It maintained its offer of £300 compensation for the mistake regarding the expiry date. However, esure said the policy limits were set out in the schedule and reflected the information provided to it from Mr H’s online purchase. It said he was responsible for checking the detail when he received his policy documents and again at each renewal offered. esure didn’t agree with Mr H that its agent had said his claim would be assessed against a £50,000 limit.

Unhappy with the response, Mr H brought his complaint to us.

Our investigator agreed that esure hadn’t handled the claim as well as it could’ve done in the early stages, but she thought the compensation offered was reasonable. In respect of the policy limits, our investigator thought that it had been Mr H’s responsibility to check the limit when he took out his policy, and again at renewal. Therefore, she didn’t think esure had done anything wrong by applying the limit set out in Mr H’s policy schedule. Our investigator didn’t uphold Mr H’s complaint.

Mr H didn’t agree. He submitted further comments about policy documents not being made available to him, subsequent renewals, and the policy limit. After further communication between Mr H and our investigator about his concerns, the complaint was 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've decided not to uphold Mr H's complaint for broadly the same reasons as our investigator. I'll explain.

I understand Mr H is familiar with the relevant regulator's rules under which I'll consider his complaint. In summary, the Financial Conduct Authority says that a business should provide support and help with understanding, and enable customers to pursue their financial objectives. The Insurance: Conduct of Business Sourcebook (ICOBS 8.1.1) says that insurers must handle claims promptly and fairly.

In deciding Mr H's complaint, I've taken the relevant regulator's rules into consideration along with the evidence, good practice, the overall circumstances, and, where the evidence is contradictory or incomplete, what I think is more likely to have happened. I won't go into every detail Mr H has raised, and I'll only address those points relevant to this complaint which is the one esure had the opportunity to respond to.

Policy limit

Mr H said when he bought the contents insurance policy, it was sold as providing cover up to £50,000 or £75,000. Unfortunately, Mr H hasn't been able to provide any evidence showing what information was made available to him at the time. I've noted his evidence of the information provided when buying a similar policy now, but that's not something I can rely on as evidence of something that happened two years before.

While Mr H refers to the policy limit as being up to £50,000, I can't agree that this means he was covered for that amount or that esure ought to have settled his claim based on that level of cover. When buying the policy he would've been asked about the value of his contents. From the policy schedule, it seems he said his contents were worth £11,030, with £5,520 of high risk items. This brings his total contents cover to £16,550, which is what esure confirmed. Indeed, Mr H said in his evidence that he believed he requested cover for £15,000 of contents. But, even if the policy had been sold as having cover up to £50,000, that would mean the maximum, not the guaranteed amount payable under a claim.

When Mr H bought the policy, the documents were sent to him. It was his responsibility to check that the details set out in the documents reflected what he believed he'd bought. I haven't seen anything in the evidence to indicate that Mr H checked his policy on receipt, or that he was prevented from contacting esure to make amendments.

I'm aware that Mr H said esure told him it would honour the maximum claim limit, but esure didn't agree. From the evidence, I think it's clear the agent was simply acknowledging Mr H's comments, rather than agreeing with him that his claim should be considered under a limit of £50,000.

The policy sets out the detail of the contract between Mr H and esure. Thinking about this, it's reasonable to expect that he would read the details of the policy he'd bought, and specifically the level of cover. I think Mr H had a responsibility to check that what he thought he'd bought was reflected in the documents. Indeed, this is brought to his attention, as follows:

“Please check this document very carefully. It records the information you gave us. You have a duty to take reasonable care to ensure the information provided or confirmed to us before you enter into, vary or renew your Policy is accurate and not misleading. This duty includes a requirement to ensure that your household goods, high risk items, personal possessions and specified items are insured for the full replacement cost as new at all times. If any of the information is inaccurate or misleading, please call us... If you fail to comply with this duty any future claims may be reduced, rejected, additional terms applied or your policy voided.”

I've thought carefully about what Mr H said regarding documents not being available to him, but I can't agree that he would've been unaware of the contents. The policy he bought did not automatically renew. But I note that Mr H accepted the next year's renewal despite it being issued by portal and letter, neither of which he said he received. In order for him to accept the renewal, he must've received at least enough to be aware that he needed to renew his policy.

Mr H said ICOBS 6.5 requires esure to bring to his attention any change in the policy at renewal, and he said it failed to meet this requirement. The rules say that esure must show the level of cover at renewal and whether or not Mr H needed to take action to renew. The documents included a requirement for him to check the details to ensure it reflected the level of cover he wanted and to confirm that the policy would not automatically renew. Mr H called esure to renew his policy, suggesting he received the documents. As there was no significant change, esure wouldn't have needed to highlight anything within the policy documents. So I think the responsibility was on Mr H to make sure that the policy limits were what he wanted.

Overall, I'm satisfied that esure considered Mr H's claim reasonably, and in line with the limit set out on the policy he bought. I see no reason to ask it to provide cover up to a greater limit.

Compensation

esure offered Mr H £300 compensation for its mistake saying there was no cover available, and for the distress and inconvenience this would've caused Mr H. After experiencing a fire at his home, I can understand that even a two-day delay until esure confirmed cover would've been distressing for Mr H. esure offered £300 compensation for this mistake, and for any confusion around whether esure had agreed to honour a £50,000 standard cover limit.

I've thought about the overall circumstances, and I think the issue regarding the cover limit was entirely within Mr H's power to resolve when he bought the policy and at each renewal. That's because the documents were provided to him, he must've received them in order to accept the renewal, and he ought to have looked at the information. It's not reasonable to say nothing had changed therefore he didn't think he needed to read anything.

I've noted Mr H's additional comments around the process of information transferring from the price comparison site to esure. I understand he thinks esure is responsible for the information sent to it. I've also noted the various tests he's carried out on the comparison site to see what cover is offered.

As I've said above, esure put into the policy the level of cover confirmed to it. Mr H had the opportunity to make sure the cover was correct and, as stated in the documents, to let esure know if anything was incorrect. Any results Mr H has obtained more recently when testing the site are irrelevant to the policy he originally bought.

As a final point, I've noted Mr H's comments about an undisputed uplift of 20% hidden within

the information esure provided. He says his honesty has caused him to lose out. I don't agree. If esure has settled the claim in line with the policy, then Mr H has received that to which he was entitled. While he suggested leaving out parts of his claim to increase the settlement, I'd expect any claim made to be an honest and accurate reflection of loss.

So, based on the evidence, I think esure's shortfall was with its initial acceptance of Mr H's claim and its failure to recognise that he had a valid policy at the time. esure offered £300 compensation in recognition of that failing, and I'm satisfied it's fair and reasonable, and in keeping with what I would've awarded in the circumstances. I see no reason to ask esure to do any more.

My final decision

For the reasons I've given, my final decision is that I don't uphold Mr H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 5 August 2025.

Debra Vaughan
Ombudsman