DRN-5643073

The complaint

Mr B has complained about the way esure Insurance Limited has settled a claim under his car insurance policy and says esure provided incorrect or inadequate information.

What happened

Mr B made a claim under his car insurance policy in 2022. esure settled the claim in September 2024.

In December 2024 and January 2025 Mr B raised a series of complaints. Over two final response letters in December 2024 and January 2025, esure upheld some of Mr B's complaints.

Mr B remained unhappy and asked us to look at his complaints. One of our Investigators found that esure had made mistakes. But he thought the compensation esure offered to Mr B to put things right was reasonable. This was £250.

Mr B disagrees and wants an ombudsman to decide. I've addressed his comments in my findings below.

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.

For ease, I've set out Mr B's complaints under headings below.

esure didn't deal with a reported dent to Mr B's car

In December 2024 Mr B complained to esure that his car was returned following repairs in 2022 with a visible dent. Mr D says he reported this to esure and wants it resolved. .

In response, esure said it couldn't find communication about this, but asked Mr B to provide photos and/or an estimate for repairs to consider.

I've looked at Mr B's previous cases with us which included his complaint about repairs and rectification repairs. I cannot find any information relating to an outstanding dent to his car.

Mr B says he has since returned the car to the lease company and fortunately there was no mention of the dent. But Mr B says he was inconvenienced by taking his car to a garage for an estimate and by esure's failure to deal with the dent repair.

From the information available to me, I think esure's request for evidence to support his complaint was fair. As Mr B no longer has the car in his possession, it isn't possible for esure to resolve this complaint.

esure provided conflicting information about the number of years No Claims Discount (NCD) esure accepts it provided Mr B with incorrect information as to how many NCD years he held. It apologised for the error and has since provided Mr B with an updated letter confirming the correct number of NCD years. I'm satisfied that esure has put things right. I have addressed the compensation award esure offered overall later in my decision.

esure failed to recalculate Mr B's premium when it closed the 2022 claim in September 2024

esure accepts it failed to look at the premium Mr B paid when it closed his claim in September 2024. This is poor service. When considering the impact of this poor service, I've looked at the next complaint.

esure told Mr B in September 2024 the 2022 claim was closed as a non-fault claim

esure told Mr B on 18 September 2024 that it had closed the claim as a non-fault claim. But this was incorrect. Solicitors acting on behalf of esure had closed the claim as a partial fault claim in September 2024.

Mr B discovered the error when esure replied to Mr B's complaint in December 2024. I can understand why this discovery caused Mr B shock and upset. He understood the claim had been settled as he believed it should be, as a non-fault claim. Mr B says esure settled the claim without his permission.

Under the policy terms, esure can take over the defence and settlement of a claim in Mr B's name. This means it can make a decision Mr B doesn't agree with, but the policy allows it. So esure doesn't require Mr B's permission as to how it settles a claim.

I've considered the compensation award esure offered overall later in my decision. The award is for a loss of expectation in light of the incorrect information esure gave Mr B in September 2024, not for the decision itself. So the impact the claim may have on future premiums is not something I think esure needs to compensate Mr B for.

Mr B says the consequences of informing future insurers of the claim – based on incorrect information – could have been severe. I understand Mr B's concern here. But we look at what happened rather than what might have happened when we consider an appropriate compensation award.

As esure closed the claim as a fault claim, this was on the same basis as Mr B's policy renewed. It is industry practice that open claims are logged as fault claims until such time as they are settled. If an open claim is ultimately settled as a non-fault claim, we expect the insurer to look at the premium it charged a customer and recalculate it on the non-fault claim basis. But in this case, the claim closed on the same basis as its status at renewal.

esure has provided its underwriting information to support there was no change to the premium Mr B paid when the claim was closed. We cannot share this information with Mr B as it is commercially sensitive. But we can ask an insurer to share it with us so that we can see if it has treated a customer fairly and as it would any other customer in the same circumstances.

Having reviewed this information, I'm satisfied that esure treated Mr B fairly.

esure provided poor quality transcripts and failed to respond to his emails about this

esure apologised for failing to reply to Mr B's requests for further information on the transcripts provided. I understand Mr B believes they are incomplete and inaccurate. As the Investigator explained, if Mr B believes he hasn't been provided with the information he requested from esure, he can contact the Information Commissioners Office, of which the Investigator provided contact details to Mr B.

There’s no dispute that esure provided a poor service to Mr B. For the poor service in failing to reply to emails and providing incorrect information to Mr B about the claim closure and his NCD, esure offered Mr B £250 compensation which he rejected.

I realise Mr B will be disappointed with my decision as he says the compensation sum of £250 isn’t enough. I’ve considered the impact of esure’s failings in the context of Mr B’s complaints and I find the sum of £250 to be within the range we would ask an insurer to pay in similar circumstances. I think esure caused a loss of expectation between September 2024 and December 2024 and caused distress and inconvenience in failing to reply to Mr B’s emails and providing incorrect information.

My final decision

My final decision is that I find the compensation award esure Insurance Limited offered to resolve Mr B’s complaints in December 2024 and January 2025 to be reasonable. So I’m not asking esure to do any more.

esure Insurance Limited must pay the compensation within 28 days of the date on which we tell it Mr B accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr B to accept or reject my decision before 24 September 2025.

Geraldine Newbold
Ombudsman