

## **The complaint**

Mrs P has complained on behalf of the estate of Mr P that esure Insurance Limited failed to pay him the market value of his car under his motor policy when it was written off following an accident.

The late Mr P very sadly died in December 2024, before our investigator was able to provide her view on his complaint. She issued her view on 4 December 2024. Mrs P then informed us of the situation on 17 December 2024, and explained her husband was taken to hospital on 25 November and sadly died on 5 December 2024. She said she had informed esure who then sent letters asking if Mr P would be willing to attend court as regards liability for this accident and a lawyer's letter saying he must now pay his excess.

Mr P didn't leave a Will. His estate however is now deemed a small estate given most of his estate was held jointly. So, Mrs P now represents Mr P's estate in this complaint as the Personal Representative.

Before I go any further, I wish to express my deepest condolences and sympathy to Mrs P and her family for their very sudden unexpected loss of Mr P. I also want to thank Mrs P for her patience and forbearance as we worked out the correct processes consequently, which unfortunately delayed matters until now

## What happened

Mr P was involved in a car accident on 25 May 2024. Esure decided his car was a total loss.

Initially esure valued his car at £6,958 and then raised it to £8,717, less the excess, which it paid him. It also paid Mr P compensation of £75 for the lack of clarity with its engineers and added a further £100 compensation in its final response letter. Bringing the total compensation esure paid Mr P to £175.

Mr P was of the view the market valuation of his car was at least £9,000 and he detailed several adverts in support of this. He wasn't satisfied esure's valuation of his car was fair, so he brought his complaint to us. Once esure was aware that Mr P had brought his complaint to us, it made a proactive offer to increase the compensation from £100 to £150, bringing the total compensation to £225. Mr P refused this as he remained of the view that esure's assessment of the market valuation of his car wasn't fair. He also felt his complaint was seriously delayed by esure causing him to have spent a significant amount of time dealing with it. And he was also unhappy his claim was recorded as a fault claim as he didn't believe he was at fault for causing the accident.

Consequently, the investigator assessed his complaint in its entirety.

Having accessed the valuation guides on vehicle valuations which brought back values of £6,795, £7,110 and £9,476, the investigator was of the view that esure's valuation of £8,717 wasn't reasonable and the fairer valuation should be £9,476 plus interest in line with our approach to such matters which is fully detailed on our website.

She also thought esure should increase the compensation offered to £250 making the total £375.

As regards how esure recorded the claim, as the other driver's insurers hadn't accepted liability, the investigator didn't think esure had done anything wrong in how it recorded the accident. As this is standard practice until the issue of liability has been resolved.

Mr P also raised an issue over the delay of being given a hire car by esure. However, the investigator said that under the policy given Mr P's car was deemed a total loss he was never entitled to the provision of a courtesy or hire car.

Esure didn't agree with the investigator's recommendations on the market valuation, but it did agree with the increase in compensation to £375 in total. Mrs P indicated she wished for an ombudsman to review the situation also. So, on that basis, Mr P's complaint was passed to me to decide.

I issued a provisional decision on 25 June 2025, and I said the following:

'Having done so, I'm intending to uphold this complaint for further reasons than those of the investigator. I'll now explain why.

### *The recording of the claim as a 'fault' claim, initially*

First, I concur with the investigator's view that esure did nothing wrong with the fact it recorded the claim as a 'fault' claim initially on Mr P's record, given liability wasn't yet agreed with the other driver's insurers. That is standard across the motor insurance industry and esure's approach was therefore correct.

On further enquiry, esure has now informed us that liability for this accident has been settled with Mr P not being held at any fault. That also means the excess it deducted from its payments to Mr P of the market value of his car, will now be refunded to his estate.

### *The hire car issue*

Secondly, the investigator wasn't quite correct that Mr P's policy with esure does not provide any courtesy car given his car was deemed a total loss. The schedule shows he paid £19.99 for car hire benefit so regardless of the car being written off, he was entitled to a hire car if his own car was off the road and subject to a claim. Oddly, the policy document provided by esure didn't make any mention of car hire benefit being an added benefit.

So, we asked esure about that and it produced a further policy document for the add on benefits to include this car hire benefit. It provides Mr P was entitled to a hire car of a similar type as his own car for 21 days with further provision being arranged on a discounted basis with the car hire company if required. From Mr P's own account of what happened, his car hire benefit was delayed but eventually he received it, but not until after 29 June whereas the accident happened on 25 May.

As this is a delay issue for which compensation is normally payable given Mr P was without his entitlement to this hire car for nearly a month after the accident, I've taken the view that esure should have offered Mr P some compensation here for this delay. I consider a payment of £175 is appropriate considering the trouble and upset caused by not having the car and indeed Mr P having to chase esure repeatedly for it. It's also in line with our approach on these matters as more detailed on our website.

### *Compensation*

Turning to the compensation, given Mrs P is now the Personal Representative, she is entitled in law to carry on with this complaint. But as Mr P was esure's policyholder, not Mrs P as she was merely a named driver, I can't direct that any compensation can be paid to Mrs P for any trouble and upset she incurred directly herself, which would include the letters and emails she received from esure and its agents after she had informed esure that Mr P had died. However, I'm sure esure would like to at least apologise to Mrs P for its further communications to Mr P at a time when it had been informed that he died so I will leave that for esure to decide itself.

We are however able to award compensation to Mr P for the distress and inconvenience he experienced for the time he was alive, and this is payable to his estate. Taking all of it together to include all the notes Mr P provided of the chronology of events, I consider the payment of compensation in total of £500 to his estate to be fair and reasonable and in line with our approach which is more fully detailed on our website. This includes the £75 and £100 it already paid him before he brought his complaint to us. And it includes the further £50 esure offered in its proactive offer. And it includes the investigator's thoughts of a further £100 on top of that proactive offer along with my further compensation for the delay of providing Mr P with the hire car for more than a month.

### *The market valuation of Mr P's car*

This is the substantial element of Mr P's complaint. The policy states the following:

*'The market value is the amount you could reasonably have expected to sell your car for on the open market immediately before your accident or loss. Our assessment of the value is based on cars of the same make and model and of a similar age, condition and mileage at the time of accident or loss. This value is based on research from motor trade guides including: Glass's, Parkers and CAP. This may not be the price you paid when you purchased the car'.*

As esure is aware, our stance on valuations is fully detailed on our website. We expect insurers to review the relevant valuation guides. Esure did this but used the wrong date of loss on at least one of the three (the highest figure below) it received a value from, mistakenly saying it was 30 May and not 25 May. Those valuations were £6,806, £7,110 and £8,717. On the basis esure couldn't show it used the right date of loss I'm not persuaded it has adequately shown its valuation of £8,717 is that accurate. esure in its final response letter, said this guide gave a value of £8,315 so its offer of £8,717 was higher but that's not the case on the basis of the copy valuations esure has sent to us. The highest valuation guide from esure using this incorrect date of loss was indeed £8,717.

The investigator also ran valuations using the correct date of loss but obviously done at a much later date than esure originally did it, and the results were £6,795, £7,110 and £9,476. Her highest figure and esure's highest figure were using the same guide. Mr P also produced several adverts to explain why he didn't think esure's offer was fair. Like the investigator I have discounted two of Mr P's adverts of £10,995 and £12,995 as these were for limited editions of Mr P's car and Mr P's car wasn't such a limited edition. However, Mr P produced four further adverts detailing prices of £9,499, £9,500, £9,550 and £9,995. These are for cars a couple of years older than Mr P's car, which is a 2009 model. So, whilst they're not of the same year as Mr P's car, I do find them more persuasive to show the investigator's valuation of £9,476 is fair and reasonable.

It should be noted that esure didn't provide any adverts to help persuade me that its lower valuation was reasonable. Esure was of the view that because it ran the valuations nearer the time of the accident, its valuations were more accurate. However, as the investigator said, this service would never be in a position to run valuations that close to the date of loss given the complaint could never reach us in that time period and that is why we ask insurers to evidence the valuations it obtained. Also, as time passes, more data is accumulated by the guides, so there is also an argument the later valuation is more accurate which is nonetheless based on the date of loss too.

The adverts Mr P provided also support the later valuation of £9,476 and while this precise valuation has changed since esure ran it given the passage of time, the valuation the guide produced now is supported by cars available for sale in the market and so I'm persuaded it's the fair and reasonable valuation.

Therefore, I consider esure should ensure Mr P is paid £9,476 for the market value of his car with interest attaching to the further payment esure now needs to make.'

Mrs P agreed with my provisional decision. Esure didn't respond.

### **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 again, considering Mrs P's agreement and no response from esure, I see no reason to change the reasoning or outcome of my provisional decision. Consequently, I'm upholding this complaint on that basis.

### **My final decision**

So, for these reasons, it's my final decision that I uphold this complaint.

I now require esure Insurance Limited to do the following:

- pay the estate of Mr P the sum of £9,476 for the market value of his car. Adding interest on the additional amount of £759 (given it already paid him £8,717) at 8% simple per year from the date it paid Mr P its market value of £8,717 to the date it now pays the remainder. If income tax is to be deducted from the interest, appropriate documentation should be provided to his estate for HMRC purposes.
- pay the estate of Mr P the total sum of £500 compensation less the £75 and £100 it already paid him so paying the estate a further £325 compensation.
- refund the excess deducted from its payment of the market value of the car to Mr P's estate given liability is now settled in Mr P's favour.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of X to accept or reject my decision before 7 August 2025.

Rona Doyle  
**Ombudsman**