

The complaint

Mr H complains about the poor service provided by esure Insurance Limited and about the total loss decision it made after he made a claim on his motor insurance policy.

What happened

Mr H's car was damaged in an accident on 27 July 2024. When he reported it to esure, he says he was told the accident was non-fault, and that 'firm E' then contacted him to say esure had instructed it to manage the claim. He was given a hire car by firm E on 4 August 2024, having been told by esure that an engineer would have to approve any repairs to his car *or* confirm its total loss. Mr H says esure and firm E then failed to communicate with him until October 2024, when esure told him the car was to be written off. Mr H was then asked to provide a statement to validate the claim, as liability for the accident wasn't settled. In the meantime, his requests for updates weren't answered.

On 28 October 2024 esure offered Mr H £250 compensation for its poor contact / service. It said it had offered him a total loss settlement sum in August 2024 but as yet he hadn't accepted it. Mr H still had the hire car at this point, but firm E took it back from outside his home on 4 November 2024. Firm E told esure it had been notified by Mr H of an incident with the hire car, but that he'd refused to hand it back. Meanwhile, many emails from him querying the delay in making a decision on his claim continued not to be answered.

One of our Investigators reviewed Mr H's complaint. He thought the contact with Mr H had been poor from August 2024 to October 2024, so Mr H had been inconvenienced throughout that time. He noted that Mr H would have been frustrated by being asked for more information about the accident by esure in October 2024, as he'd provided details of it in July 2024. But he thought it was reasonable for esure to write off the car (given the cost of repairs, as determined by an Independent Assessor). And he thought £250 compensation from esure for its poor service was also reasonable.

Mr H then said he'd now had his car repaired for less than one third of the repair cost quoted by esure. And he said the Investigator hadn't taken into account the trauma he'd faced due to esure's actions. The Investigator said the car would have been written off even based on the cost of repairs at Mr H's garage, given its low pre-accident market value. And he said he had considered the impact of esure's actions on Mr H.

Mr H then said the Investigator hadn't noted esure's failure to tell him that firm E would be managing the claim, and firm E's lack of contact with him. He also said the hire car was taken back well before the total loss payment was made, and that he wasn't advised of the total loss sum by the Independent Assessor, as esure had claimed. He also said esure had failed to pursue his right to have the car repaired by the other driver, regardless of the cost.

As there was no agreement, the complaint was passed to me for review.

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.

Mr H has made numerous comments and the correspondence on the file is extensive. Although I've read everything, I don't intend to respond to every point raised. Instead I'll concentrate on what I think are the main issues.

Mr H's rights under the policy

Mr H thinks the law entitled him to pursue the other driver for the full cost of repairs to his car, regardless of the fact that they far exceeded the car's pre-accident market value. He thinks esure was obliged to do that on his behalf. But the policy sets out the contractual terms between him and esure, and in accepting the policy, Mr H agreed to its terms. The policy says if esure decides the car is a total loss, the most it will pay the owner is the car's market value before the accident. It says a car will be a total loss if the cost of the claim exceeds the difference between the car's pre-accident market value and its post-accident market value.

After an initial assessment by an approved repairer, esure instructed an Independent Assessor to value the car and to estimate the potential repair cost. We give great weight to the opinions of Independent Assessors, and in this case, he determined that the car's potential cost of repair was well over twice its pre-accident market value. So I think esure acted reasonably in writing the car off.

Mr H is mistaken in his belief that esure had an obligation to pursue the other driver for the cost of repairs. The sum in question hugely exceeded the sum to which Mr H was entitled (the car's pre-accident market value). The other insurer wouldn't have paid it, and I think it would have been unreasonable to request it. Other insurers would have acted as esure did on this issue, as I think any attempt to recover the repair sum would have been unsuccessful. I think a fair amount of Mr H's distress was caused by the fact that he couldn't accept that the repairs weren't going to be done under the claim he'd made. But in my opinion, as esure had made a reasonable decision, that distress wasn't its fault.

Notification of the total loss

The file shows that the Independent Assessor tried to contact Mr H several times in August 2024 and that he left a message informing Mr H of the total loss valuation. And in a recorded call with the Independent Assessor on 14 August 2024, he told Mr H about the total loss. But the Independent Assessor got no further in that call, as Mr H said he wouldn't accept the total loss and that he'd be pursuing the other driver for the full repair sum. Subsequently, in an online chat on 18 September 2024, esure's advisor referred to the car's total loss again. So although Mr H may not have heard the messages left for him about the total loss, in my opinion there's no doubt that he was made aware of it in August and September 2024.

Firm E's involvement

It seems that as the accident was non-fault, esure instructed firm E (a claims management company) to deal with it. That's often done in non-fault claims, so the firm can arrange repairs and hire without the claim impacting on a consumer's policy. But Mr H says he didn't know about it – and that firm E didn't keep him updated.

I think much of Mr H's dissatisfaction stems from the acts and omissions he's told us about on the part of firm E. But I can only look at esure's actions, as firm E doesn't fall within our remit. Although Mr H says esure didn't tell him firm E had been instructed, he copied to us a letter from firm E dated 14 August 2024 that said esure had asked it to manage the claim and to provide a hire car. The letter asked him to sign and return the contract with firm E.

I can't see any reference on the file to Mr H objecting to firm E's involvement (only to its poor service). And once a total loss was determined - which happened quickly in this case - esure would have managed the claim, as firm E doesn't deal with that situation. But it continued to provide hire, and I understand why Mr H was confused by the situation. I haven't seen any explanation to Mr H from esure about firm E's involvement, either at the start or after Mr H complained to it about firm E. Although I think that was poor service on esure's part, I don't think it made any difference to the outcome of the claim. As the total loss offer was made in August 2024, had Mr H accepted it, the claim could have been settled then, avoiding much of the distress and inconvenience that followed.

esure's request for a statement from Mr H

esure thought the facts Mr H gave it about the accident at the start showed that he wasn't at fault, so it decided there was no need to get a full statement from him then, as it seemed the other insurer would accept full responsibility. Subsequently, as liability wasn't accepted, esure had to get a full statement from Mr H in case legal proceedings were necessary. I can see why he was frustrated by the request so late in the day, but I don't think esure acted unreasonably in the circumstances. Subsequently Mr H was asked for other details in relation to the policy's renewal. Although that falls outside the scope of this complaint, I think it's likely that as the further request was made prior to Mr H making a complaint to us, his annoyance with esure extended to include all its requests for extra information.

Poor communication

There's no doubt that esure failed to respond to most of Mr H's attempts to get updates, and I think it should have offered clear explanations to him about what was happening. But I think that as firm E also dealt with the claim for a while, and its contact with Mr H was also lacking, the poor communication issue had far more impact than it would have done had esure been Mr H's sole point of contact.

The evidence shows that esure communicated with Mr H through the Independent Assessor in August 2024, and directly (via the chatline) in September 2024. In October 2024 it left messages for him after trying unsuccessfully to speak to him. I think there's also evidence that Mr H didn't fully co-operate with esure at times. But I think the onus was on esure to provide clear information to Mr H throughout the claim, and to reply to his messages. For much of the time, it didn't do so. esure recognised it was at fault by offering Mr H £250 compensation on 28 October 2024. At that point, he was entitled to refer his complaint to us. So although I can see that Mr H wasn't happy with esure after that date, he'd have to make a new complaint about that to esure in the first instance.

I've taken into account the distress and inconvenience Mr H faced as a result of esure's actions up to the end of October 2024. In my opinion, much of the upset he experienced was caused by his objection to esure writing off the car, and to his perception that he wasn't told about that for months. He was also greatly upset about esure not pursuing the full cost of the claim, although I don't think it could have done so. In my opinion, these major concerns raised by Mr H aren't supported by evidence of any fault on esure's part, so any upset arising from them wasn't due to esure.

Undoubtedly, Mr H was upset, frustrated and inconvenienced by having to chase responses from esure, which he shouldn't have had to do. But the claim could have been resolved much sooner, and a great deal of inconvenience avoided, had Mr H accepted esure's total loss decision early on. I know Mr H won't agree, but in my opinion, there was no reasonable basis for him to dispute it. And I think Mr H's overall inconvenience was reduced significantly by being left in hire during the period this complaint covers, despite the fact that he wouldn't engage in the total loss process.

Taking everything into account, I think the sum offered in compensation by esure was fair, so I can't uphold Mr H's complaint.

My final decision

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 20 October 2025.

Susan Ewins

Ombudsman