

## The complaint

Mr D complains that esure Insurance Limited (“esure”) should pay his claim on his motor insurance policy.

## What happened

The subject matter of the insurance, the claim and the complaint is a sports utility vehicle, first registered with a “68” plate.

In June 2023, someone stole the car from its owner. The thief or someone taking the vehicle from them applied “19” number plates to the vehicle, cloned from a similar vehicle.

In November 2023, Mr D paid cash to buy the vehicle. He also took out an esure policy to cover the vehicle for the year from 11 November 2023. He was the policyholder. The policy also covered another family member as a named driver.

Mr D changed the car’s registration to a cherished number.

Mr D and esure renewed the policy for the year from 11 November 2024.

In late November 2024, police asked Mr D to bring the vehicle in for inspection, said it had been stolen and seized it.

On about 29 November 2024, Mr D told esure what had happened, and it said he couldn’t make a claim on the policy.

Later, on 4 January 2025, Mr D made a claim to esure.

By 27 January 2025, Mr D complained to esure that it was mishandling his claim.

By a final response dated 20 February 2025, esure repeated the following to Mr D:

*“... the claims team... are unable to log a claim as the vehicle is not stolen from you”*

However, the final response accepted the complaint in part, namely that esure should’ve told Mr D straight away on 4 January 2025 that he couldn’t make a claim. The final response said esure was sending him £100.00 compensation.

Mr D brought his complaint to us in early April 2025.

Our investigator didn’t recommend that the complaint should be upheld. He thought that there had been no fault on esure’s part.

Mr D disagreed with the investigator’s opinion. He asked for an ombudsman to review the complaint. He says, in summary, that:

- He conducted extensive checks prior to the purchase of the vehicle.

- He got a receipt when he bought the vehicle.
- He had a legal interest and therefore an insurable interest.

### **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.

From what Mr D has said, I accept that the previous owner made a claim on their insurance policy. That insurer paid the previous owner and became the owner of the vehicle, although its whereabouts were unknown.

I accept that the thief or someone taking the vehicle from them changed not only the registration plates but also the VIN (vehicle identification number) marks.

I accept that Mr D did checks on the vehicle but was deceived by the change of identification.

I accept that Mr D got both a receipt and a V5 registration document with the vehicle's registration number. However, that's not proof of ownership.

I don't under-estimate Mr D's loss. However, I consider that his loss occurred when he paid cash to someone who didn't have the right to sell the vehicle. That wasn't an event that the policy covered.

The vehicle still belonged to the previous owner's insurer. And the police seizure of the vehicle wasn't an event that the policy covered. The policy contained an exclusion as follows:

*"So, what's not covered?*

*...*

*Legal removal*

*If any government, public or local authority takes, keeps or destroys your car – for instance, you're towed away for parking illegally."*

So I don't conclude that esure treated Mr D unfairly by declining to deal with his claim. And I don't find it fair and reasonable to direct esure to pay the claim or to do any more in response to this complaint.

I accept that esure should've been clearer when Mr D contacted it in January 2025. However, I don't consider that this made any difference to the very difficult position that Mr D was already in.

Rather, esure failed to manage Mr D's expectations that it might settle his claim after all. So the impact on Mr D was that he was disappointed by the time esure sent its final response.

I'm satisfied that esure's payment of £100.00 compensation was fair and reasonable and in line with our published guidelines for distress and inconvenience, disappointment and loss of expectation.

In conclusion, esure didn't do anything wrong by declining to deal with the claim, and it has paid fair compensation for the impact on Mr D of not clearly declining to deal with the claim in January 2025. So I don't find it fair and reasonable to direct esure to do any more in response to this complaint.

**My final decision**

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct esure Insurance Limited to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 20 October 2025.

Christopher Gilbert

**Ombudsman**