

The complaint

Mr S complained that esure Insurance Limited (“esure”) didn’t repair his car fully following an accident claim, under his motor insurance policy.

What happened

Mr S was involved in a collision in September 2024 when driving. esure arranged for the repairs under its policy cover and a courtesy car was provided whilst this took place. In January 2025 Mr S reported a warning light was showing on his dashboard relating to the cars all-wheel drive (“AWD”) system. He arranged an inspection of his car with a main dealer garage and sent the report to esure.

esure told Mr S that the AWD issue was unrelated to his accident and declined to pay for the repairs. He didn’t think this was fair and complained.

In its final complaint response esure said a senior engineer had reviewed Mr S’s main dealer report. It maintained the damage didn’t result from the accident. It offered to reconsider if Mr S supplied expert engineering evidence. But without this it wasn’t prepared to pay for the repair.

Mr S didn’t think esure had treated him fairly and referred the matter to our service. He also provided a further report from another garage. Our investigator didn’t uphold his complaint. She was persuaded by esure’s senior engineer and the main dealer’s findings that the fault wasn’t related to Mr S’s accident.

Mr S responded to say he disagreed with our investigator’s findings and asked for an ombudsman to consider his complaint.

It has been 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’m not upholding Mr S’s complaint. Let me explain.

Mr S’s policy covers him for damage caused accidentally to his car. I’ve read the accident damage report esure provided, which shows the impact occurred to the rear driver’s side. The scope of the repairs included renewal of the damaged bumper along with other panels and trim that were affected. In addition to a replacement wheel, wheel rebalancing, and painting. No mechanical or electronic repairs were identified.

I’ve seen a photo of Mr S’s dashboard with the AWD warning light illuminated. I’ve also watched a video recorded by the main dealer garage. This shows its technician inspecting Mr S’s car. The technician highlighted several issues with the car that require attention. He said the fault code for the warning light Mr S reported relates to an oil pressure pump and is connected to a “*Differential Electronic Module*” (“DEM”) issue. The technician refers to a

build-up of carbon, which has resulted in the disconnection of the AWD system. To remedy this fault, he said that a new DEM oil pump needs to be fitted.

The records show a conversation between esure's engineer and Mr S where the main dealer report is discussed. The engineer told Mr S that the DEM issue was due to carbon build-up, which is why the all-wheel drive system had disconnected. The engineer confirmed this wasn't related to the accident. He also referred to many issues with Mr S's car in addition to the DEM problem. He said these issues were highlighted in the main dealer's report and were also maintenance related.

Based on this evidence a gradual build-up of carbon caused the issue with Mr S's AWD system. This wasn't the result of a collision.

I've read the report Mr S obtained from another garage. The report said the impact occurred to the driver's side rear wheel, which can greatly influence the integrity of the drive train system. It said the underlying issue is that the AWD system isn't working as intended, resulting in sub-optimal coordination between the wheels. The report said there may be underlying mechanical or electronic faults causing the AWD system to malfunction. The report concluded that the impact had a direct and detrimental impact on the vehicle's drive train.

I've thought carefully about what this report says. But it doesn't persuade me that the AWD fault with Mr S's car was caused by the accident. The report mainly describes how the AWD is not working correctly. But this doesn't show the problem resulted from an impact. The report suggests there may be underlying mechanical or electronic issues. But it doesn't say what those issues are or how the AWD system has been affected by these issues. Whereas the main dealer report clearly stated that the cause of the AWD disconnection was the build-up of carbon deposits.

Mr S's policy terms exclude cover for any loss or damage that is caused by mechanical or electrical breakdown, or anything that results from wear and tear. From what I've read I'm satisfied that the build-up of carbon is something that occurred over time. This is something that is expected to happen during the lifetime of a vehicle. This falls under general maintenance and isn't something esure is expected to pay for under its policy cover.

In his submissions to our service Mr S raised concerns with the size of the courtesy vehicle he was provided with. In addition, he complained about the policy excess fee he had to pay.

Mr S didn't raise these issues with esure. Our powers to investigate complaints come from the Financial Conduct Authority (FCA) dispute resolution or DISP rules. The rules say that the business must first have the opportunity to respond to a complaint. We asked esure if it authorised us to consider these issues given it hadn't yet had the chance to respond. But it declined. This means I can't consider these issues here. Mr S can raise a separate complaint with esure about these points, should he choose to.

Having considered all of this I don't think esure treated Mr S unfairly when it relied on its policy terms and conditions and declined to pay for the repairs to his AWD system. So, I can't reasonably ask it to do anymore.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 10 December 2025.

Mike Waldron
Ombudsman