DRN-5752192

## The complaint

Mr H has complained about his car insurer esure Insurance Limited (Esure), he says it handled his claim poorly causing delays and losses.

## What happened

Mr H was involved in accident in June 2024. He notified Esure but was hoping to deal with the matter with the other driver. In early July Mr H told Esure he needed to make a claim. He asked about a hire car. He asked if Esure would cover his cost for hiring a car if one wasn't arranged. After a few days he received contact from a car hire company which would provide a hire car charged to the other driver's insurance (because Mr H had not been at fault for the accident). So Mr H had the benefit of a hire car from 11 July 2024 until 20 August 2024.

In the meantime Esure had been handling the claim for damage to Mr H's car. It decided it was a total loss as the cost of repairs exceeded the market value of the car. It paid Mr H £1,000 in settlement for his car, which Mr H challenged. Esure then increased that settlement to £2,000. Making an additional payment to Mr H on 3 August 2024.

The hire car was collected. Esure never collected Mr H's damaged car. But Mr H had been asking it to collect the car since July 2024. He had told Esure he would charge it £25.00 a day for storing it. He also told Esure he had taken time out of work to contact it and had sent it 35 emails – so he would bill Esure for his time at his consultancy rates. He said Esure had caused him a lot of stress and inconvenience. He was particularly unhappy about how Esure had dealt with him about the hire car.

Esure, over three final response letters, acknowledged and accepted some poor service and delays. It said it would pay Mr H £200 compensation. It thought Mr H had delayed the situation over collection of his car – so it wasn't minded to cover storage costs. It said it wouldn't cover Mr H's lost wages, as a level of inconvenience comes with all claims and it had accounted for avoidable inconvenience caused in its compensation sum.

Mr H complained to the Financial Ombudsman Service. He provided an invoice for car hire from 7 to 11 July 2024 – totalling £450. Also invoices for his time – totalling £1,000 and one for storage of his car "from date of write-off notification until date of settlement" – totalling £1,150 (£25 per day for 46 days). Mr H also explained that Esure had initially given its agent, charged with collecting his car, incorrect contact details for him, and it was only several weeks later, in mid-August, that the agent used a correct email address to contact Mr H.

Our Investigator felt Esure had provided poor service and caused some delays. She said it should pay a total of £350 compensation (an additional £150). But she wasn't minded to require Esure to do anything more – whilst she felt Esure had provided its agent incorrect details for Mr H, she said he would need to send his invoices to it for it to consider (because it hadn't been sent them before its last final response letter).

Mr H asked for an Ombudsman's decision and the complaint was referred to me. I found that I wasn't minded to reach a markedly different outcome to that reached by our Investigator.

But I felt it would be necessary for me to consider the issue of storage costs. So I set out a provisional decision sharing my views with both parties.

Having reviewed my provisional decision, Esure said it was prepared to accept what I'd said. Mr H did not reply to my provisional decision.

**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.

I said provisionally:

*"I think it's fair to say Esure accepts that it didn't handle this claim as well as it could have done – that it caused some delays and lack of clarity, particularly some of its web chats with Mr H were not very clear. But I must recognise that this period of poor claims handling occurred over the period of no more than six weeks. Our Investigator suggested a total of £350 compensation, which Esure agreed to pay. I can assure both parties I've taken into account everything which happened during this period and, having done so, I'm satisfied that £350 compensation is fairly and reasonably due. That sum is reflective of considerable distress and significant inconvenience caused over several weeks, is in line with our guidance and other awards we've made in similar circumstances.*

*To be clear, that is for distress and inconvenience. Mr H has said he was caused costs and incurred losses as a result of Esure's failures. We consider financial impact separately to compensation for upset.*

*Mr H has detailed his financial losses/cost incurred regarding time spent dealing with the claim. He's invoiced Esure for lost wages and time spent sending emails.*

*Time spent sending emails is something which is natural and necessary when dealing with a claim. If extra emails are required due to an insurer's failures, then that extra effort the complainant has had to put in is taken into account as part of the distress and inconvenience caused. We wouldn't require an insurer to pay for a complainant's time.*

*On occasion, if an insurer's failure can clearly be seen to have caused a loss in wages, a loss which couldn't be avoided by the complainant, then we might require an insurer to provide recompense for that. But Mr H has not shown that is what happened here. Rather he has said that, at times, he had to stop work to deal with contact from Esure – he has then invoiced for 10 hours of time. Nothing I have seen here makes me think Esure caused Mr H a loss he couldn't reasonably have mitigated. I'm not currently minded to require Esure to provide recompense for reported lost wages.*

*Mr H has also provided an invoice for storage costs. I note Esure has refenced storage costs in one if its final response letters to Mr H. It's commented on costs as though Mr H has incurred a cost for storage – it's said it wouldn't cover this cost because its agent (charged with collecting Mr H's damaged car) wasn't at fault. I'm satisfied the agent couldn't initially collect Mr H's car because Esure had given it incorrect contact details. If Mr H incurred costs in that situation it would appear they were a direct result of Esure's failure. But, from what I've seen, Mr H hasn't incurred a cost. Rather he's said he was billing Esure for storing the car, and the invoice reflects that – there's no suggestion from Mr H or evidence provided to show that he actually incurred a cost for storing the car which he has paid and is, therefore, out of pocket for.*

*I'm not going to require Esure to pay this invoice. As Mr H did not incur a cost for storing the car, making Esure pay this sum would be betterment for Mr H and punitive towards Esure.*

*There was also the invoice for car hire costs. Mr H paid to hire a car between 7 to 11 July. Mr H chose to hire a car because he had to be able to get to work and the claim had not progressed at that time. He had asked Esure if it would cover his hire costs. Esure's advisor said : "you cannot hire a car and bill us for it". I think that was clear. I'm mindful that Mr H said that, in the same conversation, the advisor also said "Esure will cover the cost" – but in the context of the whole conversation I'm satisfied that comment was not made in relation to Mr H's question about hire car costs. I'm satisfied the advisor was 'playing catchup' with questions asked by Mr H and that Mr H was told Esure would not cover his hire costs. So I don't agree with Mr H that Esure should be made to pay his costs because it had agreed to do so.*

*Mr H's policy with Esure offers a courtesy car for when his car is being repaired. When Mr H asked about Esure covering the cost of a hire car for him, the claim had not yet progressed to a point of Mr H's car being repaired – and in fact when the claim did progress, Esure decided the car was a total loss. The policy does not offer to provide Mr H with a replacement car when Esure finds the insured vehicle to be a total loss. Mr H needed a car when his policy wouldn't offer cover for that – so he acted to mitigate his loss and hire a car so he could attend work. That was a reasonable thing for Mr H to do, but it is not something I can reasonably require Esure to reimburse him for. Rather it was a cost which flowed naturally from the unfortunate circumstance which led to Mr H needing make a claim.*

*In summary, Esure did fail Mr H at times during this claim. I'm satisfied it should pay compensation as a result and I've explained that I find total compensation of £350 to be fair and reasonable. But I'm not persuaded Esure should cover the costs Mr H has asked it to pay. So I won't be making any award regarding the invoices for Mr H's time and lost wages, storage or hire."*

As Esure has accepted my findings and Mr H has not challenged them, I've no reason to amend or add to what I said provisionally. As such, I'll just confirm that my provisional findings are now those of this, my final decision.

## My final decision

I uphold this complaint. I require esure Insurance Limited to pay Mr H £350 compensation – this is a total sum, if it has paid any compensation already it will now only have to pay any sum remaining.
Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 10 September 2025.
Fiona Robinson
**Ombudsman**