

The complaint

Mr B complains about esure Insurance Limited (esure) declining a claim for damage to a friend's vehicle in an accident, which he was driving at the time. Mr B thought he had comprehensive cover to drive the vehicle, but esure said he only had third party cover as he was driving under the 'driving other cars' section of his motor insurance policy.

References to esure in this decision include their agents.

What happened

In April 2025 Mr B was driving a friend's vehicle when he had an accident which involved two other vehicles. From his description of the accident circumstances, Mr B was proceeding along a road when he was blinded by the sun and crossed the central line separating the two carriageways, colliding with a parked car which was then shunted into a second parked car. Fortunately, both vehicles were unoccupied at the time of the accident. Mr B thought he was comprehensively insured to drive his friend's vehicle, so he contacted esure (as his insurer) to tell them about the accident and make a claim for the damage.

Based on the circumstances of the accident, esure deemed the claim to be fault on the part of Mr B. They contacted the third-party insurers, and the indications were that both vehicles were likely to be total losses. esure also told the third-party insurers (and Mr B) they were accepting liability for the accident and would settle claims for the cost of both vehicles as total losses. esure made total loss settlements in respect of both.

However, esure said Mr B wasn't covered comprehensively to drive his friend's vehicle, only third-party cover under the 'driving other cars' section of his policy. While this meant he was covered for the claims from the third-party insurers, he wouldn't be covered for the damage to his friend's vehicle.

Mr B was extremely unhappy the damage to his friend's vehicle wouldn't be covered, maintaining he had comprehensive cover. He was also unhappy at one of the two third-party vehicles being deemed a total loss, as he thought it was repairable. So, he complained to esure. He was also unhappy esure had provided hire cars to the third parties.

esure didn't uphold the complaint. In their final response issued in May 2025, esure said they provided hire cars to the third parties as both required access to transport, in line with their duty to mitigate inconvenience to the third parties. They also referred to the opinion of their qualified engineers when making total loss assessments. On their decision not to cover the damage to the friend's vehicle, esure said Mr B was advised twice on the day he first contacted them to tell them of the accident they wouldn't be covering the damage. However, they acknowledged that on two subsequent occasions their agents wrongly said otherwise, for which they apologised. esure also referred to the terms of Mr B's policy to support their decision. In recognition of the incorrect advice, esure awarded £200 compensation to Mr B.

Mr B then complained to this Service. He accepted the accident was his fault but esure had settled claims for damage to two other vehicles involved in the accident, but not his friend's vehicle. He believed he was comprehensively insured and had proof esure agreed to settle

the claim for damage to his friend's vehicle. He wasn't happy with being awarded £200 as a goodwill gesture for being provided with incorrect information. He (and his friend) had been without a vehicle for a month, chasing esure for updates, affecting his friend's everyday life.

After Mr B brought his complaint to this Service, esure issued a further final response in July 2025, referring to their earlier response. They reiterated Mr B hadn't been insured to drive his friend's vehicle comprehensive (through his friend's policy) then he could drive the vehicle through his own policy, under the section 'driving other cars'. However, the cover was restricted to third party only, so there was no cover to repair his friend's vehicle. This was explained on the Policy Schedule. esure added they told this twice to Mr B on the date of the accident, nor would they be carrying out an evaluation of the damage to the vehicle. If an agent had incorrectly advised Mr B, UKI apologised. On injuries, if Mr B had suffered any, he would need to contact a legal firm. esure also advised Mr B that his friend would need to make a claim to their insurance company under their policy covering the vehicle.

Our investigator didn't uphold the complaint, concluding esure didn't need to take any action. He noted the policy conditions only provided third party cover while Mr B was driving other vehicles, including his friend's vehicle. Mr B would only be covered comprehensively under his policy while driving his own vehicle. The investigator concluded esure acted correctly in settling the claims from the third parties involved in the accident.

Mr B disagreed with the investigator's view and asked that an ombudsman consider the complaint. He maintained the damage to his friend's vehicle should be covered as the policy documentation didn't explicitly state there was no cover for the damage.

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 should first acknowledge what Mr B has told us about the impact of what has happened on his mental health and the medical support he has been receiving. I've borne this in mind when deciding, as is my role here, whether esure have acted fairly towards Mr B.

The key issue in Mr B's complaint is esure's decline of his claim for damage to his friend's vehicle he was driving at the time of the accident. Mr B says he was comprehensively insured, so esure should have settled that part of his claim. esure say Mr B was only insured to drive the vehicle under the 'driving other cars' section of his policy, which provided third party - not comprehensive - cover and this was made clear to Mr B from when he first told them of the accident.

In considering the complaint, it's important to note my role isn't to assess the claim and the circumstances of the accident. It's to decide whether esure acted fairly and reasonably in declining the claim for damage to Mr B's friend's vehicle. I've considered carefully all the evidence available in this case, provided both by Mr B and by esure. I won't comment in detail on every specific point, concentrating on those I think are most relevant to the case. Having done so, I've concluded esure did act fairly and reasonably in declining the claim. I know this will be very disappointing to Mr B, so I'll set out the reasons why I've reached this conclusion.

In considering the case, I've first looked at the documents issued by esure about Mr B's policy. Under the Policy Schedule I've noted the 'Type of cover' is listed as 'Comprehensive'. Which may be why Mr B thinks he was insured comprehensively. However, the same document, under a heading 'Driving other cars' states the following:

“Yes, for policyholder only. See more information below.

Where your Certificate of insurance says so, we” also cover your legal liability when you drive any other car third party only, provided:

- *It’s not owned by you, or hired or leased to you under a hire purchase or leasing arrangement, and the car is road legal...*
- *There;s no other insurance in place that gives you the same cover*
- *The owner has insured the car and given you permission to drive it*
- *You’re driving the car in the UK, the Isle of Man or the Channel Islands...*

The cover is limited to third party only. For more information, take a look at the policy booklet, renewal updates, and certificate of motor insurance.”

What this means is that Mr B, under his own policy, was insured to drive another vehicle, which the owner – the friend – had insured and given permission to Mr B to drive. However, the cover in those circumstances would only extend to Mr B’s legal liability when he was driving the vehicle third party only. It doesn’t mean Mr B was covered comprehensively, so he wasn’t covered for damage to his friend’s vehicle – only for legal liability to third parties. Which in the circumstances of the accident, would be the claims for damage from the third parties involved in the accident (damage to the vehicles and other claims for loss).

I’ve also noted the certificate of Insurance issued to Mr B only refers (under the heading ‘Description of vehicle’) to Mr B’s vehicle – not the friend’s vehicle.

The Insurance Product Information Document (IPID) issued with Mr B’s policy, summarising the important features of the policy is consistent with the Certificate of Insurance and Policy Schedule. It states:

“Driving other cars extension

- ✓ *Cover for the policy holder to drive other cars on a third party only basis is available on some policies. If you have this cover it’ll be shown on your schedule and certificate.”*

In those circumstances, I think it would be reasonably clear to Mr B that he wouldn’t be covered for damage to his friend’s vehicle under his own policy. I don’t agree with Mr B’s point that it wasn’t explicitly stated there was no cover for the damage.

Mr B might have been covered comprehensively if he was a named driver under the friend’s insurance policy covering the vehicle. But I’ve seen nothing to suggest this was the case. In any event, it would be for the friend to contact their insurer to see if the damage would be covered under their policy.

As far as esure covering the claims for damage from the third parties involved in the accident (their insurers) then having accepted liability for the accident, esure would be obliged to settle those claims. In this case, the total loss of the vehicles and associated costs such as hire car costs by the third parties. Mr B’s policy provides (as do most insurance policies) for esure to do this and have discretion in settling third party claims as they see fit.

The relevant policy wording is contained in *Section 02. How to make a claim* where, under a heading *And what not to do* it states:

“Some things you could do without thinking could put you at a disadvantage. So please don’t:

- × *Admit liability for, or negotiate to settle, any claim without our written permission. We have full discretion in the settlement of your claim or any legal proceedings which may arise and we may take over, defend or settle, or take up the claim in your name for our own benefit. You and anyone covered by the policy must provide all the information, documentation and help we need to do this."*

So, esure acted within the policy terms in settling the third-party claims, including the total loss settlements for the vehicles involved and hire car costs, and exercising their discretion in doing so.

I've also noted esure accept that while they initially told Mr B he wouldn't be covered for the damage to his friend's car, they subsequently misadvised him that it would. However, these errors wouldn't of themselves change the policy terms, which as I've concluded, make it clear the cover would be third party only, not comprehensive. I think esure's offer of £200 for the error is fair and reasonable, so I won't be asking them to make a further award.

Taking all these points into account, I've concluded esure have acted fairly and reasonably, in the circumstances of this case so I won't be asking them to do anything further.

My final decision

For the reasons set out above, it's my final decision not to uphold Mr B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 25 November 2025.

Paul King
Ombudsman