

The complaint

Mr and Mrs M complain about how esure Insurance Limited (“esure”) dealt with a claim they made on their home insurance policy.

esure is the underwriter of this policy, i.e. the insurer. Throughout the claim Mrs M was dealing with other companies who act as esure’s agents. Since esure accept it is accountable for the actions of its agents, in my decision, any reference to esure includes the agents.

Mr and Mrs M are joint policyholders but, for ease of reading, I’ll refer to Mrs M throughout my decision.

What happened

Mr and Mrs M held home insurance with esure. In January 2024 a pipe burst in their home causing significant damage, so they made a claim for an escape of water.

Esure has accepted the claim and appointed a loss assessor to validate and manage it.

Mrs M says she’s endured extreme stress as a result of esure’s handling of the claim. She says there have been continued delays in response to communications including delays in payment of expenses, a lack of information about the internal investigation being carried out into the handling of the claim, and the management of the list of beyond economic repair (BER) items. Because Mrs M was unhappy she complained.

Esure upheld Mrs M’s complaint; it accepted the handling of the claim had been poor. Esure apologised for the BER personal items that had been lost by its agent and appointed another firm to deal with the BER list. Esure awarded Mrs M £250 to reflect the distress and inconvenience caused as a result of its handling of the claim.

Mrs M wasn’t satisfied with the response from esure so she referred her complaint to this Service. Our Investigator considered the evidence and didn’t think esure had acted fairly. She said esure had accepted the service Mr and Mrs M received was poor. She recommended esure increase its offer of compensation from £250 to £500 to reflect the distress and inconvenience caused.

Mrs M didn’t agree – she said £500 didn’t properly compensate for the stress and upset caused. Since an agreement couldn’t be reached the complaint has come 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’ve reached broadly the same conclusions as our Investigator. I’ll explain why below, focusing on the points and evidence I consider material to my decision.

For clarity my decision covers matters raised in Mrs M's complaint to esure dated 31 October 2024 that was responded to by esure on 11 December 2024.

A claim of this nature, involving restoration works in key areas of the home was always likely to cause significant disruption and stress for Mrs M - my role has been to consider how esure's handling of the claim may have added to that impact. We would expect esure to handle claims effectively to avoid delays and unnecessary disturbance. I've focused on this here.

Delays and communication

Mrs M is understandably unhappy that esure lost a number of items that were deemed beyond repair. Esure agreed to cover the cost of those items but Mrs M says that didn't take into account the sentimental value. I empathise with her position, but esure covered the cost of the items in line with the terms of the policy. And Mrs M received compensation to reflect the poor service she received. I have discussed this further below.

There were also delays in receiving payments. I can see Mrs M contacted esure on a number of occasions in order to progress payment of her expenses. I'd expect esure to keep Mrs M informed of what was happening and when, and to deal with payments and expenses promptly. From what I've read this didn't happen. Mrs M clearly expended a lot of time and effort when attempting to find out what was happening with the claim, what was needed from her, and when she might expect reimbursement. So I'm satisfied the evidence shows a poor standard of communication from esure and its agents.

Internal investigation outcome

Mrs M is disappointed that she hasn't been provided with the outcome of the investigation into the initial agent's handling of the claim. I can understand her frustration. The agent didn't agree to sharing the outcome of the investigation and esure explained it wasn't able to compel the agent to do so. So I think esure could have managed Mrs M's expectations better here, given she was expecting to see details of the investigation.

Distress and inconvenience

I appreciate Mrs M experienced disruption over a long period of time and Mrs M has put a lot of time and effort into dealing with the claim and complaint. However this is a complex claim which was also affected by a number of other factors. It wouldn't be fair for me to tell esure to compensate Mrs M for distress arising from the escape of water event itself. Nor would it be fair for me to tell it to compensate Mrs M for delays that it wasn't responsible for.

It would only be fair for me to award compensation for matters esure is responsible for that have resulted in distress and inconvenience above what might reasonably be expected for a claim of this nature.

Esure accepts the communication about the claim could have been better and Mrs M wasn't provided with regular, relevant, updates. I can see Mrs M had to chase esure on a number of occasions to understand what was happening with her claim. Esure apologised and awarded Mrs M £250 to reflect the distress and inconvenience caused.

Our Investigator didn't think the award was fair and recommended esure pay a further £250 to reflect the distress and inconvenience caused. This is in the range of what our Service would typically award where a business's actions have caused a consumer considerable distress, upset, and worry that needs a lot of extra effort to sort out. Having considered the evidence here, I think a further £250 – taking the total compensation to £500 - recognises

the impact of esure's service failings on Mrs M. So while I appreciate this will be disappointing for Mrs M, I'm not persuaded to award compensation above the amount recommended by the Investigator.

Putting things right

Esure should pay Mrs M an additional £250 for distress and inconvenience.

My final decision

For the reasons I've explained I uphold this complaint and direct esure Insurance Limited to put things right by doing what I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs M to accept or reject my decision before 5 February 2026.

Kiran Clair
Ombudsman