

## **The complaint**

Miss H complains esure Insurance Limited (esure) unfairly settled a third-party claim on her motor insurance policy.

## **What happened**

In January 2025, the handbrake on Miss H's parked car failed and it bumped into a parked third-party car. She notified esure of the incident, but didn't want to make a claim.

The third-party made a claim, but Miss H was not aware of this until she received her renewal quote in July 2025, and she found out that esure had settled a claim for damage to the third-party vehicle.

Miss H was unhappy she hadn't been notified about the claim and esure agreed it had not made her aware of it. It apologised and awarded her £200 for its lack of communication. Miss H was further unhappy about the cost of the claim that had been settled.

Because Miss H was not happy with esure, she brought the complaint to our service.

Our investigator didn't uphold the complaint. They looked into the case and said the £200 compensation esure paid Miss H for its failure to inform her that a claim had been made and settled was fair. They said insurers are required to settle claims promptly and fairly and they were satisfied esure had been reasonable in its settlement of the third-party damage costs.

As Miss H is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

## **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.

In this case I saw when Miss H reported the incident to esure, it confirmed this to her by email. In the email it confirmed that based on the details she'd supplied it considered her to be at fault for this incident. It said it would attempt to contact the other driver involved, or their insurers, and it would let her know if any claim was made.

Miss H only found out about the claim approximately six months later in July 2025 when she received her motor insurance renewal documentation, so I can understand it would have been a shock to her when she found out a claim had been made, and it had been settled. esure accepted it failed to notify her about the third-party claim, as it said it would do. It paid her £200 for the lack of communication.

Miss H said esure's failure to inform her of the third-party claim meant she potentially could have had an invalid insurance policy with another provider. However, this did not happen and I am only able to consider events that actually happened.

I considered if Miss H had been made aware of the third-party claim prior to the settlement being paid, if this could have changed the outcome of the claim. In this case I don't think it would and I will explain why.

It isn't in dispute that Miss H's car collided with the third-party car, because this is what she reported had happened. This is a straightforward fault claim for Miss H and liability for any damage would be with her. The cost of repairs was just over £2,200. In this case Miss H thinks esure was overcharged for the damage or may have even paid for damage that wasn't caused by the accident. She said the images of the damage she provided showed there was no structural damage and it was a minimal surface scratch. She believes she should have received a breakdown of the damage esure paid out for.

In the terms and conditions of Miss H's policy it says;

*"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."*

This means esure doesn't need Miss H's permission to settle a claim. And although I think it's reasonable that Miss H should've been made aware of any claim being made, esure has discretion to settle the claim as it decides. It may make a decision Miss H doesn't agree with. But I'll look to see it's done so reasonably.

esure said based on the video presented as evidence and the damages seen, the third-party claim was valid. It explained it didn't have a breakdown of costs to provide to Miss H because both itself and the third-party insurer were members of a group of regulated insurers who work to an agreed protocol which had been established to help to speed up the settlement of subrogated repair claims between insurers, by reducing the paperwork needed. It said this agreement means insurers verbally agree on the cost of repairs trusting the cost has been fairly calculated and verified.

esure said it has also considered what the likely outcome would be if the case proceeded to court. And it believed it wouldn't be able to successfully defend the dispute of the claim made against her policy. It added that costs of repairs had increased significantly over recent years.

I saw damage on the bodywork of the third-party vehicle to the front where Miss H's car hit it. Although Miss H feels some of the damage was not caused in the incident with her car, I haven't seen any evidence to support this. I agree it would be difficult to argue that all the damage seen wasn't caused by this impact. Due to the agreed protocol between the insurers, of which I am aware of and is usual practice in the car insurance industry, the third-party wouldn't approve non-related damage. Considering industry prices for parts, labour and hire, I am persuaded the total costs presented by the third-party insurer were reasonable and I'm satisfied esure didn't act unreasonably in settling the claim costs for the third-party damage based on the information available to it.

Therefore, I think esure's apology and the £200 paid to Miss H for the lack of communication was fair in the circumstances of this complaint. Although I understand Miss H will be disappointed, I don't uphold her complaint and don't require esure to do anything further.

### **My final decision**

For the reasons I have given I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 4 March 2026.

Sally-Ann Harding  
**Ombudsman**