

complaint

Mr and Mrs M have complained that esure Insurance Limited's service to them was poor when it made a claim under Mrs M's motor policy following an accident.

background

Mr M was unfortunately involved in an accident. His car was less than three months old when the accident happened and Mr and Mrs M had bought it from new. Mr M contacted esure to make a claim. He wanted his car to be repaired by the main dealership garage and provided an estimate to esure.

However esure closed the claim when it shouldn't have. When it realised it had done this, it told Mr M he would need to have the repairs carried out by its approved repairer or he would have to pay an additional excess. Mr and Mrs M said that they felt they didn't have a choice but agreed for their car to be repaired by the approved repairer and didn't pay the additional excess.

They were provided with a courtesy car which Mr M said was uncomfortable for motorway driving. esure said that he could hire a car but Mr and Mrs M said that it would cause them more inconvenience so they kept the courtesy car provided.

Mr M's car was repaired by esure's approved repairer and Mr M rejected the repairs a number of times. On the last occasion Mr and Mrs M said that they didn't want the approved repairer to carry out any further works to the car and asked esure to arrange for the main dealership garage (where they originally wanted their car to be repaired) to collect their car from the approved repairer. esure discussed their request with the approved repairer and it was agreed that the main dealership garage would collect their car the following day.

However later that day the manager at the approved repairer called Mrs M. Mrs M said that she felt threatened as the manager told her that he wouldn't release the car until they had signed a satisfaction note. When Mrs M said they couldn't sign one because they weren't satisfied with the repairs, he told her that her husband should collect the car in person to "have it out – face to face." Mrs M said that she was very upset about the way the manager spoke to her and she felt he was holding their car to ransom.

Mrs M's son – who was a Sales Manager at the dealership garage – complained to esure that evening about the telephone conversation his mother had with the approved repairer and the upset it had caused her. And he said that the dealership garage was now no longer prepared to carry out rectification repairs to the car.

esure arranged Mr and Mrs M's car to be returned to them and for an independent engineer to inspect the car. The engineer found that the repairs carried out by the approved repairer were not to a commercially acceptable standard. So because the dealership garage wouldn't carry out the repairs, Mr and Mrs M needed to find an alternative garage that would.

Mr and Mrs M were unhappy that esure asked them to find an alternative garage – now that the main dealership garage wouldn't consider rectifying the repairs. They felt this was something esure should do. They wanted esure to find a dealership approved garage that would repair the car and make the arrangements for a hire car while the repairs were being carried out.

A second garage was found and the repairs were carried out to an acceptable standard. The independent engineer who originally inspected the car inspected the repairs afterward for Mr and Mrs M.

Unfortunately the second garage provided a courtesy car that was nine years old and had engine problems.

Mr and Mrs M complained to esure. esure accepted that its service to them had been poor and that the approved repairer hadn't carried out the repairs properly. It offered Mr and Mrs M £400 compensation which it later increased to £500.

Mr and Mrs M didn't accept esure's offer and asked us to look at their complaint. They didn't feel that the level of compensation adequately reflected what they had been through in dealing with esure and its approved repairer. The adjudicator who investigated it recommended that it should be upheld. He was of the view that esure should increase its compensation from £500 to £800 for the trouble and upset caused to Mr and Mrs M.

esure didn't agree. So the matter has been referred to me to decide.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mr and Mrs M said that they were without their car in total for 89 days. It was brand new when they bought it and it was just over two months old when the accident happened. They lost the enjoyment of driving a new car for longer than they had it due to the problems caused by esure's approved repairer and its delay in arranging the repairs in the first place. They are unhappy with the problems they had with both courtesy cars from both garages. Mr and Mrs M said that Mr M was caused embarrassment with his employer. He had just started a new job and had to turn up in an inappropriate vehicle.

I've no doubt that Mr and Mrs M's experience has caused them a considerable amount of upset and inconvenience. esure doesn't dispute that the approved repairer's works were not of an acceptable standard and the independent engineer's report supports this. The second garage told them that the approved repairer's repairs caused more damage to their car than the accident – and it took the second garage longer to repair the car because of the approved repairer's poor work. As it was essentially a brand new car, I think dealing with poor repairs being repeatedly carried out to their car must have been very worrying for Mr and Mrs M.

Mrs M asked us to listen to a voicemail message that she left for esure after the manager at the approved repairer called her – to demonstrate how upset she was after speaking with him. esure hasn't kept a recording of that voicemail but has provided call recordings of its conversations with the manager at the approved repairer.

It's clear to me that the manager at the garage didn't think there was anything wrong with the latest repairs that had been carried out. However esure explained that Mr and Mrs M didn't want them to carry out any further repairs and they had arranged for the dealership garage to inspect their car. So esure told the approved repairer that the dealership garage would collect the car the following day.

Although the manager was disappointed he didn't object to this – and he didn't say that he would need authorisation from esure or Mr and Mrs M before he would release the car.

The following day after esure received Mrs M's voicemail, it called the manager at the approved repairer. The manager told esure he called Mrs M to tell her the works had been done and he was happy for her to come and look at it. But he wasn't going to just release the car to anyone – which was when Mrs M became upset.

esure doesn't think that the approved repairer insisted that Mrs M sign a satisfaction note – although it agrees that only Mrs M and the manager know what was discussed. esure says this doesn't make sense as they wouldn't ask her to sign a satisfaction note if they were offering to deal with any issues. esure says that the approved repairer asked it the following day to provide authorisation for the car to be released so it wasn't something out of the ordinary - but by this time the main dealership has declined to carry out any rectification repairs.

However I don't understand why the manager called Mrs M. esure was speaking to Mrs M and the approved repairer. The manager didn't mention any concern to esure about releasing the car to the main dealership without authorisation despite discussing it more than once with esure - until after he called Mrs M. He had no cause to call Mrs M to ask her to look at the repairs when esure had made it clear that Mr and Mrs M wanted their car looked at by another garage.

I think it's more likely that the approved repairer's call to Mrs M wasn't necessary and aggravated the situation further. I think that overall the call handler at esure did all he could to put things right when he spoke to the approved repairer. But ultimately esure is responsible for the trouble and upset its approved repairer caused. As I'm more persuaded by Mrs M's version of events, I think esure's approved repairer caused Mrs M unnecessary further upset – on top of the upset about the quality of the repairs – by calling her when he didn't need to - and this was unreasonable.

Mrs M's son sent an email to esure on the evening of the discussion between the manager and Mrs M. esure said that there are discrepancies in Mr M's son's account as he told it in a later phone call that he heard the conversation on speaker between his mother and the manager at the approved repairer. But Mrs M told esure that she received the call while she was driving home. However the overall context of the email was to convey how upset Mrs M was after the call and that the dealership garage would no longer take on any rectification work following the repairs carried out by the approved repairer. So whether he actually overheard the call or not – I don't think it detracts from the upset he mentioned in his email which I believe the manager caused Mrs M unnecessarily.

esure says that the courtesy car provided by the approved repairer was in line with the terms of the policy. However Mr and Mrs M didn't make esure aware that it wasn't suitable at the outset – and when it did, esure offered for them to have a hire car – but they declined as it was more inconvenient for them to do this. So even if they had made esure aware from the outset that the car wasn't suitable, it's likely that they still wouldn't have changed it because it would still have been inconvenient to do so.

I think esure's argument here is plausible – however I don't think Mr and Mrs M imagined when they first got the courtesy car that they would end up driving it for as long as they did. By the time they raised the issue about the courtesy car, I can understand their decision not to be put to further inconvenience at having it changed – but I think it's more likely that they would have raised it immediately if they had known how long they would have been without their own car. They couldn't possibly have foreseen this. So I think esure should compensate them for the length of time they had to use a courtesy car as a result of the approved repairer's repeated works.

esure's notes show that it did ask the second garage to provide a car similar to Mr and Mrs M's – but the second garage didn't do this. I can see that esure did what it could – and whilst it has less control over a non approved garage – the reason why Mr and Mrs M's car was there was due to poor repairs carried out by the approved repairer. So I think esure should be responsible for the trouble and upset caused by the quality of the courtesy car provided by the second garage too.

Esure thinks that its compensation of £500 is reasonable. However I don't think it is. Taking into account the problems Mr and Mrs M had with esure from the very beginning, I am in no doubt that dealing with this claim caused them both unnecessary stress and upset which was repeated and compounded throughout the claims process. And I think they have lost the enjoyment of driving a brand new car through no fault of their own for four months. For this I think esure should increase its compensation from £500 to £800.

my final decision

For the reasons I've given above, my final decision is that I uphold this complaint and I require esure Insurance Limited to pay Mr and Mrs M compensation of £800.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs M to accept or reject my decision before 8 April 2016.

Geraldine Newbold
ombudsman