

The complaint

Ms V complains about the way esure Insurance Limited (“esure”) handled a motor insurance claim.

Any reference to esure includes the actions of its agents.

What happened

The circumstances of this complaint are well known to both parties, so I’ve summarised what happened.

- Ms V had a motor insurance policy which was underwritten by esure. She told esure a third-party driver had damaged her car and that the driver’s insurer had accepted liability.
- Ms V subsequently complained to esure when she noticed the incident had been recorded as a fault claim against her. She said doing so had unfairly impacted the cost of her renewal premium with another insurer.
- She asked esure to amend its record and provide an email confirming she wasn’t at fault for the claim, so she could share this with her new insurer.
- In its final response letter, esure accepted the claim should have been closed as “notification only”, and it apologised for the difficulties Ms V had experienced in trying to get the matter resolved. To recognise this, it paid her £150 compensation.
- Unhappy, Ms V brought the complaint to this Service. She said the compensation didn’t fairly reflect the problems she’d faced, adding that it wasn’t paid in a timely manner. She reiterated her concerns about the service she’d experienced – again highlighting the difficulty in using esure’s telephony service.
- An Investigator considered the complaint and upheld it. She said esure needed to pay an additional £100 compensation to recognise the distress and inconvenience Ms V had experienced.
- Ms V accepted the Investigator’s findings. Because esure didn’t reply, the complaint has been passed to me for an Ombudsman’s 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.

Having done so, I agree with the outcome our Investigator reached. As we’re an informal service, I haven’t commented on every aspect of Ms V’s complaint – instead I’ve focussed on those which I consider relevant to determining her complaint. However, I want to assure Ms V I’ve considered all her points.

Esure has accepted it recorded information about Ms V's incident incorrectly. It said it should have recorded it as a "notification only" claim rather than a pending fault claim against her. It has since rectified this – which is what I'd expect it to do. But from what I've seen it took longer than it should have done to do this, which resulted in Ms V having to chase matters up.

Understandably, the frustration Ms V experienced about the incident being recorded incorrectly was compounded by the difficulties she experienced when trying to speak to esure about it. She said she experienced long wait times on the phone and was passed between different departments. esure acknowledged in its final response letter that it had been experiencing a higher demand for its service and that this had meant calls were being taken by other departments to help with the volume of calls.

To recognise the difficulties Ms V had experienced esure paid Ms V £150 compensation. Whilst this goes some of the way to recognising the problems Ms V encountered, I don't consider it to fairly reflect the impact esure's handling of matters had on her.

Given the time sensitive nature of Ms V's issue, and the stress she experienced whilst trying to resolve the matter and obtain insurance with another provider, I consider an additional £100 would bring the compensation in line with awards this Service makes and so, this is what esure must pay Ms V.

Esure has said it's updated the relevant database so that it accurately reflects Ms V's claim history. Ms V may want to explore contacting her current insurer to see if it will re-rate her policy based on the updated claims information – doing so may mean she receives a refund of some of the premium she's paid it.

My final decision

My final decision is I uphold this complaint and direct esure Insurance Limited to pay Ms V an additional £100 compensation.

esure must pay the compensation within 28 days of the date on which we tell it Ms V accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms V to accept or reject my decision before 20 June 2024.

Nicola Beakhust
Ombudsman