

The complaint

Mr J is complaining that he couldn't renew the motor insurance policy that he took out through esure Insurance Limited.

What happened

In October 2023, Mr J's motor insurance policy – provided by esure – was due to renew. But due to a technical issue he was unable to pay for it. So he contacted esure through its live chat facility to seek assistance. esure's advisor told Mr J to apply for a policy online and if the premium was higher, esure would refund the difference.

Mr J looked to take out a like for like policy, but he said the type of policy he currently had – an 'esure flex' – policy wasn't available. He applied for a standard esure policy, but he said it was quoting around £600 more than the renewal premium he was looking to pay. He also said his previous policy had a £1,000 excess, whereas the new policy was only £350 and there wasn't an option to have a £1,000 excess. The call handler advised Mr J to take out that policy and then call back for a refund.

Mr J then highlighted that the policies weren't like for like and he said he couldn't afford to pay an extra £600 and not get it back. And he said he just wanted to pay his renewal premium. He asked to speak to a manager. The live chat handler gave Mr J a number to call. But Mr J said he hadn't been able to speak to anyone on the phone as it wasn't being answered.

Mr J ultimately took out a policy through another insurer and wants esure to pay the difference.

Our investigator didn't uphold the complaint. He said esure had given Mr J a fair option, so he didn't think he could fairly require esure to refund the difference.

Mr J didn't agree with the investigator's opinion. He said it wasn't fair for him to have to have gambled on a wildly dysfunctional system and then to spend an indefinite period of time to seek a resolution. And he didn't think it was fair to expect him to write off time and money because of esure's failures.

As Mr J didn't agree with the investigator, the complaint's been passed 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.

It's not in dispute that Mr J was unable to renew his insurance policy because of esure's system issues. And he says he's lost out because of this. So the issue for me to decide is whether I think esure needs to compensate him for this. I don't think it does and I'll now explain why.

Ultimately, esure gave Mr J an option to pay the higher premium and it would refund the

difference. I can understand Mr J's concerns about this, but I cannot ignore that he was told by esure it would refund the difference, but instead Mr J chose to take out a different policy with a different provider with no guarantee of a refund. Had he not got a refund from esure, he could have raised a complaint and/or cancelled the policy.

Ultimately, esure gave Mr J a fair and reasonable option to put things right. I can't hold it responsible if Mr J chose to not take this option up.

I recognise Mr J has also complained that his renewal premium was around 60% higher than the year before. But insurers are entitled to assess the risk how it deems fit, albeit taking into consideration legal protections. And it's been widely set out that insurance premiums have been increasing. And I haven't seen anything to show that esure has treated Mr J unreasonably in this regard.

My final decision

For the reasons I've set out, it's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 26 July 2024.

Guy Mitchell

Ombudsman