

## The complaint

Miss W has complained about the settlement offered by esure Insurance Limited when her car was deemed a total loss.

## What happened

On 4 October 2023 Miss W's car was involved in an accident. The following day esure deemed the car to be a total loss and offered a settlement figure of £3,586. Unhappy with this figure Miss W raised a complaint.

When esure didn't respond Miss W referred her complaint to our service. She felt that the settlement offered was below the market value for her car and she was unable to replace it for that sum. She said that she had been using public transport which added 2.5 hours on to her working day. She incurred £10 per week in additional expenses.

On 7 March 2024 esure acknowledged that the settlement was lower than it should have been. It said a fair market value was £4,453 it awarded 8% in interest, which was a further £150.30. It also offered £250 in compensation.

Miss W was happy with this response but asked the investigator to check whether she felt it was fair.

Our investigator considered the complaint and recommended that it be upheld. She felt that the market value offer now made was fair – it was close to the highest valuation given in the relevant guides. No other evidence was available to persuade her that a valuation outside the guides was more appropriate.

However she felt that consideration hadn't been given to the additional costs of £10 per week more than Miss W would have spent in petrol had she been able to replace her car. As there had been a 22 week delay the investigator recommended that esure reimburse Miss W £10 per week for the 22 weeks to cover her additional expenses whilst her claim was being reviewed. She recommended that interest be added to this amount.

Esure didn't agree. It pointed out that the bulk of the settlement was made in October 2023, the balance being paid in March 2024 with added interest of £150.30. It also compensated Miss W for the delays in the sum of £250 – so it felt that this was fair.

Our investigator agreed that partial settlement had been made but said that as this was nearly £1000 less that it should have been Miss W wasn't able to purchase a new car. Esure maintained that its position was fair.

As no agreement has been reached the matter has been passed to me to determine.

## 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 conclusions reached by the investigator for these reasons:

- I'm satisfied that the final market value settlement made to Miss W was fair. CAP Market Value Manager, Glass's Market Value, AutoTrader and Percayso guides gave values of £3,900, £4,569, £4,109 and £4,275 respectively. So there is some variance, but esure's offer of £4,453 is positioned close to the highest valuation. Esure added interest to this sum and paid Miss W £250 compensation for the inconvenience she had been caused. In all the circumstances I find that the final valuation offer together with interest and compensation was fair. These sums have been paid.
- However Miss W's car was deemed a total loss on 5 October 2023. The value of £3,586 given at that time was unreasonable. Esure recognised this and as indicated above, offered a fair settlement on 7 March 2024. But this delay meant that Miss W couldn't replace her car and incurred expense she wouldn't otherwise have in travel costs. Although she has received compensation, she hasn't been offered financial recompense for this. Miss W has said she was spending £22.50 per week in travel costs but acknowledges that she would have spent £10 to £15 in petrol. Taking an average, I'm satisfied that Miss W was £10 per week out of pocket. I find that she should be reimbursed that sum for the 22 week delay. This amounts to £220, this is in addition to the sums already paid. I don't award interest on this sum.

### **My final decision**

My final decision is that I uphold this complaint. I require esure Insurance Limited to pay Miss W £220.

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

Lindsey Woloski  
**Ombudsman**