

The complaint

Mr N has complained about esure Insurance Limited. He isn't happy about the way his claim was settled after a claim under his motor insurance policy.

What happened

Mr N made a claim under his motor insurance policy and his car was deemed a total loss. Mr N eventually accepted the valuation esure offered for his car and asked to retain the salvage. But when his car was returned to him he felt the car had additional damage that wasn't present when his car was first collected by esure.

esure looked into the possibility that its salvage agent caused additional damage to Mr N's car. And although it was accepted that Mr N's car was returned in a dirty condition, esure offered £25 by way of compensation for this, but it didn't think the salvage agent caused any additional damage. As Mr N remained unhappy about this he complained to this Service.

Our Investigator looked into things for Mr N and partly upheld his complaint. She thought esure should increase the level of compensation for some of the poor service it provided and returning the car in a dirty condition. However, she didn't think there was sufficient evidence to say that esure's salvage agent caused additional damage to Mr N's car.

As Mr N didn't agree the matter has been passed to me for review.

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 that this complaint should be partly upheld. I know this will come as a disappointment to Mr N, but I'll explain why.

Mr N made a claim under his motor insurance policy and his car was written off, but Mr N decided to keep the salvage. And when the car was returned to Mr N he said the car had lights on the dashboard and the speedo wasn't working and that the car didn't have these problems when it was first recovered by esure.

However, it is possible that this damage was caused in the original incident that led to the claim and esure didn't look to undertake any repairs to his car as it was written off. I know Mr N doesn't feel this is likely and outlines that the car had been driven while it was in esure's care, but it is possible. The impact damage could've caused the lights on the dashboard to come on. And I know Mr N feels the speedo has been interfered with, but I haven't seen any evidence of this and as esure's agent didn't undertake any mechanical repairs I don't feel, on balance, that its agent caused the damage. Either way, esure has paid the market value of Mr N's car so any damage caused by the incident has been covered by esure as part of the settlement of the claim.

Given this, and the fact that I can't be sure when the warning lights came on, I don't think esure have acted unfairly here. I know Mr N said that he drove the car before it went in for repair, but I haven't been provided with any evidence of when the lights came on and it's possible, given the age of Mr N's car, that these were just mechanical wear and tear issues.

So, I think esure has acted reasonably here, especially as it has paid the market value of Mr N's car and he chose to retain the salvage.

Turning to the level of service provided and the return of Mr N's car when it was dirty I agree that it would be fair to pay Mr N £150 total for this. esure acknowledged that it returned Mr N's car in a dirty condition (inside and out) and offered to pay £25 in compensation as the car wasn't kept in good order, but I agree £50 feels fairer here. And it is clear that Mr N had to chase for the return of his car in the first place and faced various delays, so I think an additional £100 compensation for this feels fair.

My final decision

It follows, for the reasons given above, that I partly uphold this complaint. I require esure Insurance Limited to pay Mr N £150 (total) compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 29 July 2024.

Colin Keegan
Ombudsman