

## **The complaint**

Ms C complains that esure Insurance Limited has delayed her claim on her motor insurance policy and hasn't provided her with updates. She wants the claim settled and her additional premiums repaid.

## **What happened**

Ms C said her parked and unattended car was hit by another car in 2021. She provided esure with CCTV footage and pictures of the damaged car that she said hit hers. But she was unhappy that two years later esure had still to settle the claim and that this had affected her No Claims Discount (NCD) and premiums on renewal. esure said it had contacted the other car's insurer, but it had denied responsibility. It also said it had caused avoidable delays in the claim.

Our Investigator recommended that the complaint should be upheld. She thought esure should have done more, and sooner, to chase the other insurer to accept liability and repay its outlay. She thought this had caused Ms C trouble and upset and it should pay her £200 compensation for this.

esure agreed to do this. But Ms C replied that she was unhappy with the compensation and that the claim remained open. Ms C asked for an Ombudsman's review, so her complaint has come to me for a final 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.

Ms C has explained that the open claim is having a significant effect on her premiums, and this is affecting her quality of life. I was sorry to hear about this and her family circumstances. I can understand that she feels frustrated by how long it is taking esure to close the claim.

esure can only close the claim as non-fault and restore Ms C's NCD when it has recovered its outlay. To do this it has to first get the other driver's insurer to accept liability and reimburse its costs.

esure has a responsibility to deal with complaints fairly and promptly. I can see that Ms C's car was deemed to be a total loss and the settlement for this was agreed with her promptly. But it took eleven months for esure to identify the other insurer and ask for its costs to be paid.

No response was received and two months later esure sent a chaser to the other insurer. esure was unable to issue proceedings against the other driver directly as it didn't have their name or address. It prompted the other insurer two months later, without success. Ms C then asked for an update and esure explained that it hadn't yet identified the other driver.

Two months later, esure prompted the other insurer again. The other insurer denied any responsibility and esure re-sent evidence showing that it was the insurer at the time of the

incident. But it still denied responsibility. Four months later, and after the complaint came to us, esure escalated the issue with the other insurer but no further response was received.

A further two months later, after a prompt from our service, esure said it would present its evidence again and when it had the driver's details it would issue proceedings against them.

esure isn't responsible for the other insurer's actions. But I think it should have identified the other insurer and requested the driver's details much sooner than it did. esure has said it has no explanation for this delay.

When a business makes a mistake, as esure accepts it has done here, we expect it to restore the consumer's position, as far as it's able to do so. And we also consider the impact the error had on the consumer.

Ms C's total loss claim has been settled and she hasn't expressed any concerns about that. esure has pressed the other insurer yet again and sent the information it has which identifies it as the other driver's insurer at the time of the incident. It has also checked again for the driver's details on a government database. esure has confirmed that if it recovers its outlay it will close the claim as non-fault and recalculate Ms C's premiums and pay her any refund. So I think esure has done all it can do at this stage to restore Ms C's position.

In terms of impact, the claim has been ongoing for two and a half years but not all the delays were due to esure's lack of action. Ms C has explained that she has received few updates from esure. She has explained the effect the increased premium has had on her due to her limited income. And she has been caused avoidable frustration and stress.

esure agreed with our Investigator's recommendation that it should pay Ms C £200 compensation for this. I think that's in keeping with our published guidance where a business' error has caused avoidable trouble and upset in similar circumstances.

### **Putting things right**

I require esure Insurance Limited to pay Ms C £200 compensation for the distress and inconvenience caused by its level of service.

### **My final decision**

For the reasons given above, my final decision is that I uphold this complaint. I require esure Insurance Limited to carry out the redress set out above, as it's already agreed to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 30 May 2024.

Phillip Berechree  
**Ombudsman**