

The complaint

Mr T complains about how esure Insurance Limited (“esure”) handled a claim for damage to his car under his car insurance policy.

What happened

Mr T had a motor insurance policy with esure covering his car.

The catalytic convertor was stolen from his car and he made a claim from esure.

When he made the claim, esure’s claims handler mistakenly told him that his excess would be zero, when it should have been £250. This information was later corrected by esure.

His car was booked into esure’s approved repairer, but when it looked at his car the repairer said it was only able to carry out bodywork repairs.

Mr T had to speak with esure several times for several hours about the problems he was having.

The repairer wouldn’t give him a courtesy car. esure arranged for a hire car to be provided to Mr T as he had an important journey to make.

Mr T felt that his car was exposed to further damage or theft while it was left in position. esure told him it would be able to collect the car on a certain date, but this was incorrect. esure then said it would only collect his car when the spare parts arrived.

esure looked into his complaint. It agreed its service had been poor and it apologised and paid £200 to Mr T for his distress and inconvenience. It also said it would provide internal feedback to its staff who’d given Mr T the wrong and conflicting information.

Mr T remained unhappy and brought his complaint to this service. Our investigator looked into it and said he agreed esure had given Mr T the wrong information, but it had corrected this. It had also supplied Mr T with a hire car when he wasn’t entitled to one under his policy. He thought esure’s payment of £200 compensation was fair.

Mr T didn’t agree with the view and asks for £2,000 to settle the complaint. Because he didn’t agree, this complaint has been passed to me to make 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.

It’s important I say that this service can explore what esure did during Mr T’s claim and I can make assessments about whether its service has been fair and reasonable.

I’ve looked at the evidence I’ve been provided and it’s clear that esure made mistakes in its dealings and communications with Mr T during his claim. But I think it corrected those

mistakes and, while I don't doubt it caused some impact to Mr T, I think esure's response has been fair and reasonable. So I'm not upholding Mr T's complaint. I appreciate my decision will fall short of Mr T's expectations, and I'll explain why I've made this decision.

Excess

I've looked at what happened when Mr T made his claim. He was told that he didn't have to pay an excess on his claim. This was later corrected by esure to say he needed to pay £250. I can understand why Mr T feels strongly about this as he was given the wrong information by esure and I think it's reasonable to expect a company to tell a customer the correct amount.

The policy schedule I've looked at say there's a theft excess of £250 payable by Mr T. And the policy wording says:

"Excess, excesses - The amount you must pay towards any claim for loss or damage to your car or other specified instances of damage or loss. The amounts are shown in your Schedule."

So Mr T would clearly need to pay the excess towards his claim. I appreciate he was given the incorrect information early on in his claim, but esure then corrected this bringing it into line with the policy wording. esure took this into account when it paid Mr T compensation for his distress and inconvenience.

Repairer

Mr T has complained about esure nominating a repairer which was unable to repair his car. I can see in esure's notes that it was confused by this as its repairers are expected to be able to carry out a wide range of work. I can see that when Mr T complained about this, esure's response was to allocate a new repairer quickly.

It's not clear to me why the first repairer refused to handle his car, and as it was working on esure's behalf I don't think this was good service. But esure's response was reasonable by allocating an alternative repairer.

Courtesy car

There was a period of time during the claim when Mr T was being told conflicting information about whether he'd be able to get a courtesy car.

Again, if I look at the policy wording it says:

"Our Courtesy car service

A courtesy car is provided whilst your car is being repaired by the recommended repairer as part of a valid claim..."

Because Mr T's repairs were typically short-duration (there's a mention in his evidence of it being done overnight) I can see that esure's repairer said he wouldn't be entitled to a courtesy car. I also understand he made several calls to esure about the provision of one to esure and its approved repairer.

I can see Mr T found this experience particularly stressful as he had an important trip to make and he spent a great deal of time trying to get a car. esure provided him with a hire car he could use.

I've thought about the impact of this on Mr T. It's important that I re-state he wasn't entitled to a courtesy car under the terms of his policy until the car was actually being repaired. He complained about this and spent a great deal of time on the phone about it, and esure then provided him with one. Taking everything into account, I think esure's response in providing him with a hire car outside of the cover he'd purchased was a fair and reasonable response.

Location of the car

Mr T has explained to this service his distress at his car being left in the same position as when the catalytic converter was stolen from it. He's said the car wasn't viewable from his home and he thought its lack of day-to-day movement might make it appear to be a suitable target for vandalism or for spare parts, or even being stolen.

It's very clear to me that Mr T was very worried about what might happen to his car and he's explained in detail about how he was trying to organise moving it to a slightly better location.

esure has said it can't collect cars for a catalytic converter replacement until the parts are ready – this is because it says it has no storage capacity and the job to replace them is typically fairly short.

Mr T said he couldn't move the car himself and he asked that esure move it to a more suitable location. esure wouldn't do this and it couldn't collect it as I've said above, although it did tell him it would be collecting it on a certain date, which turned out to be incorrect.

I can see Mr T has discussed several options about what might have happened to the car, but ultimately, nothing further happened to it. I'm not able to make an award for the possibility of potential loss which didn't then materialise. But the incorrect information he was given forms part of my consideration.

Claims service

Taking everything into account I think esure did provide some bad advice and poor service to Mr T during his claim. It corrected those errors quickly, as with the repairer, and over a longer time with the excess.

I've thought what Mr T has said about the impact of the claims service on him, and this service's guidelines on compensation.

It's inevitable that in any insurance claim there's some disruption to normal life and I can see Mr T found the damage to his car shocking. But esure's service meant his car was repaired and he had a car provided to him for an important trip. I do appreciate Mr T's stress was significant, and I can see that his claims experience with esure was problematic, but I can't fairly say esure caused all of his stress.

esure apologised and paid Mr T £200 compensation for his distress and inconvenience. I think this amount is fair and in-line with this service's guidelines and I'm not going to ask esure to do more.

My final decision

For the reasons set out above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 7 November 2023.

Richard Sowden
Ombudsman