

The complaint

Ms R has complained that Hastings Insurance Services Limited unreasonably refused to refund her the cost of temporarily adding another driver to her motor policy when it was discovered there was no cover for that additional driver to drive in Europe.

What happened

Ms R asked Hastings, the broker of her policy, in October 2021 to add her daughter onto her policy as a temporary additional driver. This cost Ms R £66.12. Once the payment had gone through, she clarified with the adviser if this covered her daughter to drive in Europe. Unfortunately, the adviser said there was no cover to allow a temporary driver in this way drive in Europe.

Ms R asked to be refunded the extra fee of £66.12 but the adviser said as the amendment had already been processed it couldn't not be refunded as she had explained before he took the payment. Ms R thought this was unfair and complained. But Hastings wouldn't change its stance, so she brought her complaint to us.

The investigator didn't think Hastings had done anything wrong. Ms R didn't agree so her complaint was passed to me to decide.

I issued a provisional decision and I said the following:

'My role is to assess if Hastings did anything wrong according to the terms and conditions of Ms R's policy. I can't find anything in the original policy terms dealing with the temporary addition of another driver on the policy. And indeed, nothing to say only three such temporary changes can be made, nor that the fees and premium increase generated aren't refundable. Therefore, there is nothing to show me that Ms R was treated fairly and not singled out and treated differently from anyone else in similar circumstances.'

Further in the documents generated by the additional temporary driver disclosed by Hastings, it makes no reference to the fact that the temporary driver would have no cover when driving in France. Instead, the document refers to contact details for new claims outside the UK. Also, under the 'limitations as to use' and the subsequent list of 'what's not covered' there is no mention of not being covered whilst driving in Europe. Motor breakdown insurance including roadside, recovery both at home and more importantly EU, is listed as a benefit and under that section nothing is listed about this breakdown insurance not being applicable to temporary drivers.'

More importantly this document generated by the addition of a temporary driver merely confirms the 14- day cooling off period but gives no details that temporary change fees can't be refunded and in fact there is no cooling off period at all.'

On this basis there is nothing before me to show Hastings is adhering to the FCA edict of 'treating customer's fairly'. Further, if there were any restrictions on the cover

afforded to such a temporary driver, those restrictions should have been listed at the outset in order to ensure Ms R was given enough information to make an informed decision. Clearly here because it was all to do with a trip to Europe, Ms R wasn't aware of the restrictions on the temporary cover for her daughter until it was too late. I don't agree it was for Ms R to enquire first as to what if any restrictions of cover were imposed on the temporary drivers but rather it was for Hastings to detail them, before selling the cover to Ms R.

Therefore, I consider this temporary cover was mis-sold to Ms R which means I consider the payment taken should be refunded to her in its entirety with interest. I can hear on the call recordings that Ms R was very upset about this more so since she had only just paid it. And considering it was a two-week trip, this would have further inconvenienced Ms R and her plans. So, for these reasons, I consider it reasonable that Hastings pays Ms R the sum of £100 compensation.'

Hastings didn't respond. Ms R was happy with my view and felt I should ensure Hastings change its processes so other people don't get caught out like she did.

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.

Have done so again, given Hastings didn't respond to my provisional decision, I remain of the view that it's reasonable for this complaint to be upheld for the reasons detailed above.

I can't however tell Hastings to change its processes, as this service isn't the regulator, the Financial Conduct Authority is, and it is only the regulator who can do this.

My final decision

So, for these reasons, it's my final decision that I uphold this complaint.

I now require Hastings Insurance Services Limited to the following:

- Refund the payment by Ms R in its entirety.
- Add interest of 8% simple per year from the date Ms R paid for the temporary cover to date it refunds her.
- If income tax is to be deducted from the interest, appropriate documentation should be provided to Ms R for HMRC purposes.
- Pay Ms R the sum of £100 compensation for the distress and inconvenience it caused her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R to accept or reject my decision before 28 March 2022.

Rona Doyle

Ombudsman