

The complaint

Miss J complains that Hastings Insurance Services Limited failed to provide her with sufficient evidence that her motor policy covered her for commuting to more than one place of work. She said this caused distress, a loss of earnings, and she lost her job as a result.

What happened

Miss J holds a motor insurance policy with Hastings. The policy initially provided cover for social, domestic, pleasure, and commuting to one fixed place of work. In May 2021, Miss J contacted Hastings to upgrade her cover as her employer now required her to travel to multiple sites. So her policy was subsequently updated to include '*Business – class 1*' use, and new policy documentation was issued. But around a week later, Miss J contacted Hastings to say that her employer would not accept this, as it wasn't made clear in the documentation that she was covered to attend multiple sites of work.

Hastings responded and said that they felt the policy was clear, they also said that business use did include such cover. But they agreed to send Miss J a bespoke letter that day confirming this. However, the letter wasn't sent for around a week and a half. So, on 15 June, Miss J complained. She said she was unhappy the policy didn't make it clear that she was covered for commuting to multiple sites, and she said that Hastings had failed to send her the proof she needed to provide to her employer within a satisfactory timescale. As a result, she said she'd not been able to work and had lost, and was still losing, income.

Hastings responded and paid Miss J £30 compensation in recognition that the service she received over the phone could've been better. They also noted that Miss J had now received the bespoke letter. They said if Miss J could provide proof of any loss of earnings she experienced as a result of any failing on Hastings' part, they'd consider re-imbursing her. However, this offer was later withdrawn, as Hastings said they felt the wording on the policy would normally be accepted by employers, and they shouldn't be held liable if Miss J's employer felt this was insufficient. But Miss J remained unhappy, so she brought her complaint to our service.

An investigator considered Miss J's complaint and thought it should be upheld. She said she didn't think it was right to ask Hastings to pay for Miss J's loss of earnings, as she felt Hastings were not responsible for her employer not accepting the policy wording. But she felt the service Hastings provided in relation to the bespoke letter was poor, so she recommended they increase their offer from £30 to £130.

Hastings failed to respond to the investigator's findings, but Miss J remained unhappy, so the case has been passed to me to decide.

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.

I've listened to the call between Miss J and Hastings where Miss J makes it clear that the policy seems to suggest that it covers commuting to just one place of work, as well as providing cover for private business use. And she explains that she needs to be covered for commuting to several locations, not one; and did not want cover for her private business, but to be covered in connection with her employment. Hastings respond to explain that the policy includes business use which would cover Miss J commuting to multiple locations in her employment. But Miss J argues that this isn't clear on the policy, and it is listed directly below the section that states she is covered for social, domestic, pleasure and commuting to "one fixed place of work". And therefore, this was preventing her from being able to work as her employers wouldn't accept this.

I've considered what's been said here and I can understand where the confusion arises. And while it seems from what Hastings has told Miss J, that Business class 1 use may include travelling to multiple sites in connection with her employment, I agree with Miss J, that this is not clear within the policy. And while I can see that '*use for your private business*' is listed under her new policy, it's not clear that this covers her employment. It also doesn't appear that '*private business*' is defined anywhere within the policy either.

Equally, private business use is listed directly under the bullet point that states Miss J is covered for '*travelling to and from one permanent place of business or study*'. So I can understand why Miss J, and her employer, would not be comfortable accepting this document as confirmation that she has the required cover in place to travel to multiple sites, and why it may appear to her employer that she is only covered for travelling to one fixed place of work. So, I think it was reasonable to expect Hastings to go further in order to confirm such cover was in place.

I also think that the advisor that tried to explain that Miss J was covered for business use was quite aggressive at times in her tone, and wasn't grasping what Miss J was saying. And when Miss J became frustrated and asked if she could raise a complaint, she was told her complaint wouldn't be upheld, as '*business use*' *had* been added to her policy. So not only did it seem clear the advisor was not grasping what was being said, but she also tried to deter Miss J from making a complaint by predicting a negative outcome for Miss J before her concerns had been investigated. I agree the service here was poor.

Towards the end of what was a lengthy call, Hastings did eventually agree to send Miss J a bespoke letter, explaining that she would be insured to drive to multiple places of work. And when Miss J explained the importance of getting this quickly as she was unable to work, she was told that the service level agreement for any emails being sent was within 24 hours, but that Hastings would try and get it sent straight away. The call was then put on hold and Hastings came back to explain they'd managed to get it sent while on the call, and to allow up to 24 hours for Miss J to receive it. So, when it took around a week and a half for this to come through, I think it's likely this would have caused additional stress for Miss J.

In summary, I don't think the call was handled well by Hastings, and I think the advisor could've grasped and taken on board the issues Miss J was raising much sooner. And I think the time in which it took to send this confirmation was well beyond the expectations that Hastings had set for Miss J, so I think for these issues, some compensation is due. I am satisfied however, that the letter, once sent, did adequately explain the cover Miss J had in place. And at this point, it should have been enough for Miss J and her employer.

While I'm satisfied Hastings could've done more and sooner to provide Miss J with the confirmation she needed, it does seem from the evidence provided however – that this letter still wasn't enough for Miss J's employer. This is because I see Miss J has provided a letter from her employer dated September 2021, stating that she was still unable to work since May that year, and had lost £7,000 in earnings, despite being sent a letter in early June 2021

evidencing she had the required cover in place for travelling to multiple sites of work. So, I think that even if Hastings had sent out this letter on the day they'd agreed to, this would not have been accepted by Miss J's employer regardless. So, while there were delays on Hastings's part, and I agree the service Miss J received was poor, I don't think these delays contributed towards her loss of income.

I also think it's reasonable to expect that after a few days of Miss J not receiving the confirmation she needed, and this impacting her income, that Miss J might have looked to switch her insurance to one of many other insurers that provide cover for commuting to multiple places of work, in order to mitigate her losses – rather than losing out on such a large sum of money. So while Hastings did potentially mismanage Miss J's expectations in initially agreeing to consider any loss of income that their lack of service resulted in, based on what I've seen, Hastings' delays don't seem to have resulted in the loss of income Miss J has experienced.

So overall, while I agree that service Hastings's provided Miss J was poor, I think the increased offer of £130 recommended by the investigator was sufficient compensation in the circumstances. So, I won't be asking Hastings to pay anything further beyond this.

My final decision

My final decision is that I uphold Miss J's complaint, and require Hastings Insurance Services Limited to pay Miss J a further £100 in compensation, in addition to the £30 they've already paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 6 September 2022.

Brad McIlquham
Ombudsman