

The complaint

Miss N complains that Hastings Insurance Services Limited (“Hastings”) hasn’t treated her fairly following a claim made under her car insurance policy.

What happened

The catalytic converter was stolen from Miss N’s vehicle in March 2022. She made a claim to her insurer, Hastings, but wasn’t happy with the way Hastings handled the claim. So she raised a complaint.

In particular, she said Hastings’ customer service was poor and that it had taken too long to get her car fixed or to provide her with a valuation offer if it couldn’t be fixed. Hastings accepted that it hadn’t provided her with the level of service she expected as it hadn’t phoned her back when it’d promised to. So it apologised for this, and for causing Miss N distress at a time that was already stressful for her, as she was due to have an operation.

Hastings said that catalytic converters for Miss N’s vehicle were no longer being produced, meaning the car was uneconomical to repair and would likely need to be deemed a total loss. However, it was later advised by its in-house engineers that it had located aftermarket catalytic converters, which could be an option as long as there was no further damage to the vehicle. Miss N said there was further damage as the car had been parked in a location where there was now construction work going on, and she couldn’t move it. Hastings requested photographs of the car to enable a valuation, and on receiving these, said it would need to arrange a physical inspection instead. Miss N was frustrated by this, as she had gone out of her way to have photographs taken of the vehicle at a time when she was unable to walk.

Hastings offered Miss N £50 in recognition of the poor service it had provided. Miss N didn’t accept this amount and referred her complaint to this service.

Our investigator considered what had happened and thought Hastings hadn’t treated Miss N fairly. She recommended it pay her more compensation for the distress and inconvenience it had caused and asked Hastings to come to a conclusion on the claim as soon as possible, offering a valuation in line with current market trends on Miss N’s vehicle.

Miss N didn’t agree with our investigator’s assessment of her complaint. She said she had provided a considerable amount of information which hadn’t been addressed and that her ill health was a direct result of Hastings’ actions. She thought that what she had been through was worth more than £400 in compensation.

As Miss N didn’t accept our investigator’s outcome, the complaint has been referred 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.

Miss N has told us about several issues that she felt unhappy about, during the course of Hastings' handling of her claim. She's told us these issues are still not resolved. I won't comment here on everything she's mentioned, but I want to assure her I've considered everything she's told us in detail, before reaching my decision. And I'll focus instead on the reasons for my decision.

I should point out that I've only considered for the purposes of awarding compensation what happened up until Hastings issued its final response on 4 April 2022. Having considered all the information and all the problems Miss N has had up until that point, I don't think Hastings has treated Miss N fairly and I think it needs to do more than pay her the £50 it offered, to compensate her for its errors.

In particular, I note that it promised call backs and didn't deliver these. It contacted her at inconvenient times when it knew she would be recovering from major surgery. Shortly after issuing its final response, it made unreasonable requests such as asking for photographs of her vehicle when she couldn't walk and was recovering from her operation. It also didn't respond to her emails. And Miss N says she had to wait a considerable amount of time waiting to speak to someone on the phone.

Hastings failed to move her complaint forward in a timely manner and caused some avoidable delays. For all of these issues, I agree with our investigator and will require Hastings to compensate Miss N for the poor service it provided, by paying her an additional £400 for the distress and inconvenience it caused.

I recognise that Miss N wants considerably more compensation than this, but the amount of compensation she's looking for isn't in line with what we'd award in similar cases. I've based my award on the length of time these issues were taking to resolve and the impact these issues had on Miss N. Miss N can read some case studies on our website which detail the types of cases in which we would usually award higher amounts of compensation.

I've taken into account that Miss N's health became worse as a result of what she's been through, and I don't doubt this to be the case. I've considered the stress she has been under and the fact she's not been able to sleep due to the worry of what's been going on. She has my every sympathy, but my role is to determine how much of the distress she's experienced is due to failings by Hastings, and how much of it is likely due to other factors – such as the initial theft of the catalytic converter and the inconvenience this has caused, as well as the fact that Miss N has also been recovering from major surgery and wasn't able to walk for some time. I also cannot say for certain that all of Miss N's health issues are a direct result of Hastings' handling of her claim, though I can certainly appreciate that she has been caused additional stress when she was already going through a difficult time.

For the issues she's complained about, and considering the impact these had on her, and how much of what's happened is likely Hastings' fault, I'm satisfied that £450 is fair and reasonable compensation in the circumstances.

I'm not upholding some parts of this complaint. For example, Miss N has provided photographs of the vehicle to enable a valuation to take place, but Hastings says it needs to arrange a physical inspection of the vehicle in order to provide an accurate valuation. Whilst I can understand Miss N's frustration about this change in requirement, I can see from the emails on file that Miss N refused to let Hastings come out to pick up the car. I think Hastings' request to inspect the car was a reasonable one and I can understand why a physical inspection would need to take place. The photographs Miss N has provided won't give enough information for an accurate valuation to be carried out for several reasons,

including the fact that they aren't dated and the fact that they've been reviewed and engineers have been unable to come to a valuation based on the photographs alone. I also haven't considered compensation for this change in requirement as these are events which took place after Hastings issued its final response. So Miss N would need to complain directly to Hastings about this and any other issues that have occurred after 4 April 2022.

Hastings has suggested that independent engineers would carry out the physical inspection and I consider this fair. I also consider that Hastings should disregard any damage caused by the construction work adjacent to the car, when carrying out its inspection and calculating a valuation, as letting this damage affect the valuation would not be fair to Miss N, when the vehicle was left for some time adjacent to construction works through no fault of Miss N's. If Miss N receives a valuation she's unhappy with, she can make a complaint about that directly to Hastings and ultimately bring that complaint to this service. But that's not something I'm able to consider as part of this decision, as no valuation has been provided.

I realise my decision will come as a disappointment to Miss N, as she's expressed that she wants a response to each point she's raised and wants considerably more compensation. But responding to each and every point doesn't reflect the informal nature of this service. And I can only properly consider matters up to the point of Hastings' final response letter dated 4 April 2022. It's possible that for matters following this date, Hastings may offer Miss N more compensation. I think it should consider doing so, as it's clear that following its final response, Miss N has suffered further distress. If Miss N is unhappy about the handling of her claim after 4 April 2022, she's entitled to raise a complaint to Hastings about those issues, and ultimately to refer that complaint to this service.

Miss N has said that Hastings has itself told her that the compensation in this case is too low. But as I've said, if Hastings wishes to make a further offer of compensation for its handling of the claim from 4 April 2022 onwards, then it is free to make that offer directly to Miss N following this decision.

Putting things right

Hastings Insurance Services Limited must pay Miss N £400 compensation in recognition of the distress and inconvenience it has caused. This is in addition to the £50 it has already offered her, bringing the total amount of compensation in this case to £450.

My final decision

My final decision is that I uphold this complaint and require Hastings Insurance Services Limited to put things right as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss N to accept or reject my decision before 4 December 2022.

Ifrah Malik
Ombudsman