

complaint

Mr and Mrs G complain that Hastings Insurance Services Limited wrongly allowed a motor insurance policy for one of their cars to lapse, leaving them uninsured for several days.

background

Mr and Mrs G insured two cars through Hastings. Policy A, for their first car, was due to renew on 19 September 2018. Mr G called Hastings and said he'd insured the car elsewhere. Hastings said it would send an email confirming that policy A would lapse at renewal. Hastings said it sent that email on 4 September 2018. Mr and Mrs G said they didn't get it, but they got a renewal reminder for policy A dated 5 September 2018. Hastings said that was generated automatically, and policy A's lapse had been actioned as requested.

In reply to the renewal reminder, Mr G sent Hastings an email (without a policy number on it) saying he didn't want the policy to be renewed. In his email, he said he'd spent 25 minutes on the phone to Hastings previously to arrange that. Hastings asked him for more details, such as the car's registration or the policy number. Mr G didn't provide any more details. Hastings' advisor searched its system and noted it had already confirmed that policy A wouldn't be renewed. So the advisor assumed Mr G was referring to policy B.

Hastings emailed Mr G again on 7 September 2018, citing policy B's reference number and asking if any changes were needed to it before the renewal date. Mr G replied to say the policy wasn't to be renewed. Hastings sent another email on 9 September 2018, again using the reference number for policy B. It said policy B would lapse at renewal in October 2018. Mr and Mrs G say they didn't get the email. But they did then receive a renewal invitation for policy B (generated automatically) so they thought all was in order. Mr G only found policy B had lapsed when he called Hastings on 10 October 2018 to chase the policy documents.

Our investigator thought the confusion that caused policy B to lapse could have been avoided if Mr G had given Hastings the details it asked for. She noted that Hastings had used policy B's reference number in its emails to Mr and Mrs G. So she thought both parties could have done more to prevent policy B's lapse. She said the outcome of driving with no insurance could have been serious, but in fact nothing had happened. And she thought the £30 Hastings had offered for its poor service around some calls was fair.

Mr and Mrs G asked for a review of the complaint by an ombudsman.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Hastings has shown that its system produced the email it says it sent to Mr and Mrs G on 4 September 2018 to confirm that policy A would lapse. So I think it's more likely than not that the email was sent. But if Mr and Mrs G didn't see that email, I can see why - when they got Hastings' renewal invitation for policy A - they thought Hastings had made an error. They had no way of knowing that the reminder was produced by Hastings' system automatically and that their previous request had been carried out. So Mr G emailed Hastings about it.

Hastings replied to Mr G's email by asking for details of the policy or the car's registration. I think it's fair to say that if he'd provided them, it's unlikely there would have been any

confusion later on. But I think it was reasonable for Mr G to respond by saying those details were in the email Hastings had just sent to him. I don't think Mr G could have been expected to know that Hastings' advisors apparently couldn't access the earlier email its system had produced.

If Hastings' system didn't show the details of its previous email, the advisor would have had to search the system for policies held by Mr and Mrs G. It seems the advisor was able to see policy A was going to lapse and that Hastings had already confirmed it by email. It appears that's why the advisor thought Mr G's email was about policy B.

I'm not sure how reasonable it was for the advisor to reach that conclusion. Mr G's email referred to his having spent 25 minutes on the phone to Hastings the previous day about the lapse. Those calls were recorded. I would have thought it more likely than not that there would be some reference to the matter on the file. If so, I'd have expected the advisor to realise that Mr G's email was about policy A – or at least query it with him. It's hard to see why the system would have *prevented* the advisor seeing details about the recent activity on policy A, which was still live at the time.

Hastings emailed Mrs G on 7 September 2018, citing policy B's reference number, to ask if any changes to the policy were needed prior to the renewal date. Mr and Mrs G didn't pick up on the fact that Hastings thought it was dealing with a query about policy B. Mr G replied to say no changes were needed. Hastings thinks Mr and Mrs G should have noted it had used a different policy number. Whilst that may be right, I think it would have been easy to miss it, especially when the entire focus so far had been on policy A.

Hastings emailed Mrs G again on 9 September 2018 to say policy B would not be renewed. The reference number for policy B was shown again. Mr and Mrs G say they didn't get the second email. Hastings has provided a screenshot to show it was produced on the correct date, so again, I think it's more likely than not that it was sent. I think it was reasonable for Hastings to assume it had been received and that there was no issue with policy B's lapse.

I don't think it's suspicious that two emails Mr and Mrs G are sure they didn't receive are recorded on Hastings' system. Mr G thinks it doesn't seem right. But there's nothing to show that Hastings created these records after the event – or that it would have been possible to do that on its system. Unfortunately, emails sometimes go astray inexplicably.

Looking at the situation as a whole, I think the confusion started because Mr G made what was arguably a reasonable decision not to give Hastings details it had just sent to him in an email. If Hastings' advisor couldn't see those details – or any details of Mr G's recent calls about policy A – then I think it's fair to say that Hastings' system was at fault. If the details *were* shown on the system, then I think it's reasonable to say that Hastings' advisor was at fault for not querying the situation.

I think Mr and Mrs G could still have prevented policy B's lapse had they noticed that Hastings' subsequent emails had the reference for policy B. But as I've already said, I think that would have been easy to miss, so I think the greater error was on Hastings' part.

Mr and Mrs G thought the problem arose because different teams within Hastings dealt with different aspects of the policies. As the investigator has already pointed out, it isn't unusual for insurers to work in that way. We can't instruct them how to organise their business operations or their systems. But if a process or system means a particular consumer has lost out, we can address the outcome for that consumer.

Mr and Mrs G said their major aim in making a complaint was to get an explanation about how they ended up driving without insurance. I think the details Hastings has provided show how the confusion that caused it to happen arose. But Mr and Mrs G also said they wanted compensation for being given the false impression that they were legally insured.

We award compensation if there are consequences for a consumer of not having been insured. As Mr and Mrs G thought they were insured, naturally they were appalled when they thought about what *might* have happened during the few days they weren't insured. But even if I thought Hastings was wholly to blame for policy B's lapse, I couldn't award compensation for something that didn't happen.

In trying to arrange the lapse of policy A, Mr and Mrs G were frustrated at having to provide the same details more than once to Hastings' advisors. I think their frustration was understandable. But in my opinion Hastings recognised its poor service on that issue and offered an adequate sum in compensation for it.

Taking everything into account, I can see why Mr and Mrs G weren't happy with the overall level of service they got from Hastings. But for the reasons set out above, on balance I don't think it would be fair and reasonable to uphold their complaint,

my final decision

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 and Mrs G to accept or reject it before 21 April 2019.

Susan Ewins
ombudsman