

complaint

Mr J's principle complaint is that after he made a claim under his motor insurance policy, he discovered that his entitlement to a courtesy car was not what he had thought it to be, leading to financial loss. He considers that the cover was mis-sold by Hastings Insurance Company Limited.

background

Initially Mr J obtained a quote from a comparison website. His father contacted Hastings shortly afterwards to purchase the cover on his behalf and to make the first payment. During the call, Mr J's father agreed to purchase '*substitute vehicle*' cover. Full policy documentation was sent to Mr J the same day. A few months later, when he was involved in a non-fault, total loss accident, it emerged that Mr J's substitute vehicle cover did not extend to these. He lost a new job immediately afterwards as a result of not having a car.

In addition, Mr J is unhappy that his details were passed to a sister company of Hastings, although when he received a call from that company he agreed to purchase breakdown cover from it. He also complains that Hastings failed to ensure that his policy covered him for commuting and said that he had been treated poorly by Hastings generally.

Our adjudicator did not uphold the complaint. In her view Hastings acted fairly and reasonably in trying to put matters right and was not responsible for most of the issues raised by Mr J. Mr J disagreed, so the matter was passed to me for review.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in all the circumstances of this complaint.

Dealing first with the issue of the substitute vehicle cover, I have listened to the telephone conversation in which it was sold to Mr J's father. Whilst I accept that correct information was given to him by Hastings, in my opinion there was a lack of clarity during the call, largely caused by the speed at which the information was delivered. In my view, many consumers would not have appreciated what was being said, let alone what it meant for them. The word 'guaranteed' was used several times in relation to the courtesy car cover, and although it was qualified by other comments, Mr J's father may not have fully understood the situation.

Policy documents were issued immediately after the policy was set up, however, and I am satisfied that in the *Key Facts* document, it is clearly highlighted that substitute vehicles are *not* provided in the case of non-fault accidents. When Mr J rang Hastings following his accident, however, he was initially advised twice that he would be entitled to a courtesy car. In recognition of this error, Hastings agreed to pay him compensation of £500. I consider this was a fair and reasonable way to deal with the matter. I appreciate that Mr J feels he lost a job purely because of Hastings' error, but I do not agree. In my opinion, Mr J should have read the *Key Facts* document and queried it, if he found the situation unsatisfactory.

Hastings also agreed to reimburse Mr J for the cost of the breakdown cover he purchased when he was contacted by its sister company. Again, in my view that was a fair and reasonable outcome. It appears that Mr J did not remove the tick from a box online when he completed his application, and presumably this was an oversight. Doing so would have

opted him out of referrals to sister companies automatically, but in my view he has not suffered a detriment as a result of the sister company contact in any event.

In relation to Mr J not being covered for commuting under the policy, it appears that initially, cover for commuting was not requested in the online application. However, Hastings has accepted that it made an error in not adding commuting cover to the policy when Mr J contacted it to notify a change of vehicle. As a result, it added the cover free of charge and has said that it would have dealt with any claims he made whilst commuting when he was not covered due to its error. Again I am satisfied that Hastings acted fairly and reasonably in dealing with this issue.

During the time the adjudicator was dealing with this complaint, Mr J advised her that Hastings had cancelled his policy and queried a rise in the annual premium. I am satisfied that the rise in premium is a matter for the insurer, not Hastings. The cancellation followed Mr J having defaulted on direct debit payment and was technically correct. However, as this complaint was ongoing, Hastings decided to reinstate cover and write off the outstanding balance of £431.50, as a gesture of goodwill. I am satisfied that premiums of £647.25 had already been written off, following an earlier default which led to Hastings not collecting payment in error for several months. In total, Hastings has written off £1,078 in premiums. Added to the refund of £89.99 for breakdown cover and the £500 it provided to Mr J for distress and inconvenience, in my opinion Hastings has dealt with this complaint in a fair and reasonable manner.

my final decision

My final decision is that I do not uphold this complaint.

Susan Ewins
ombudsman