

## **complaint**

Ms M has complained about the way Hastings Insurance Services Limited – trading as Hastings Direct – dealt with her when she asked for help under her car insurance and Breakdown Recovery Cover (BRC) policy.

## **background**

Ms M hit a bollard and buckled a wheel which meant she couldn't continue her journey. She pulled over and called Hastings for help. Hastings said it could arrange collection for Ms M's car – but not for her.

Ms M said she waited on her own in her car for three hours until after 11pm – but a recovery agent didn't turn up. Her friend picked her up. A few days later she received a call from the police to say her car was still where she'd left it.

Hastings said a recovery agent tried to contact Ms M at 9.47pm but couldn't get through. So the recovery was cancelled. Hastings arranged for a recovery agent to collect Ms M's car when Ms M told it about the police calling her. Ms M's car was declared a total loss and Hastings offered her the market value as a settlement for her car. Ms M complained to Hastings about the following:

- Hastings had mishandled her claim from the beginning.
- Her car wasn't recovered when it should have been and she was left in the cold for three hours.
- When her car was eventually collected, there was confusion as to where it had been recovered to.
- She was unhappy with the claims process.
- Hastings didn't refund the balance of her premium after she made a claim.
- Hastings didn't provide a courtesy car.

Hastings paid Ms M £100 compensation for the confusion it caused when she was contacted by the police. But Ms M didn't think this was enough, so she asked us to look at her complaint. And she didn't know if the valuation Hastings had offered her for her car was fair.

The investigator recommended part of Ms M's complaint should be upheld. She checked the valuation of Ms M's car against the main motor trade guides and found it was reasonable. Ms M accepted this. The investigator didn't think the recovery agent could have done any more as it appeared to find the location at about 9.50pm. The agent tried to contact Ms M several times by phone but couldn't speak to her. So it had no choice but to abandon the recovery.

But the investigator thought Hastings could have handled the matter better. Ms M's car insurance policy includes breakdown and recovery cover and says it will provide onward transportation to a local garage. The BRC policy also says it will provide onward transportation to a destination of Ms M's choosing. She said the policy didn't cover for Ms M to be taken home as this was additional cover Ms M hadn't paid for. But she felt Hastings should have offered for Ms M to go with her car to a local garage. From there, she could have arranged onward travel and felt safer than being left at the roadside.

So for the unnecessary distress and upset Hastings caused Ms M, the investigator recommended Hastings pay a further £100 compensation.

The investigator agreed the £100 compensation Hastings already paid was fair for failing to follow up where Ms M's car was – which led to her being called by the police. This was offered as a choice to Ms M as she could have accepted the use of a courtesy car for a brief period instead. Ms M's policy only provides the use of a courtesy car while her car was being repaired – which it wasn't, as it was declared a total loss.

As a claim has been made, there is no refund due under Ms M's policy. But Hastings had offered to pay £15 to Ms M for her fuel costs to meet the recovery agent. It hadn't yet paid this to Ms M. So the investigator recommended Hastings do this as agreed.

Ms M accepted the investigator's view apart from the recommended compensation amount. She didn't feel a further £100 reflected the upset Hastings has caused her.

Hastings didn't accept the investigator's view. It first said the investigator incorrectly applied the breakdown part of her policy, when Ms M hadn't broken down. The investigator highlighted that by having an accident which caused a break down, Ms M was still covered under the breakdown part of her policy. So Hastings then said Ms M should have asked to claim under her breakdown policy when she called. So the breakdown part of her policy is irrelevant.

The investigator felt Hastings should have done more to direct Ms M to the breakdown part of her policy if she needed to call a different number. If it had – Ms M wouldn't have been caused as much distress and upset than she was when she called for help.

Hastings said it asked Ms M if she wanted to claim for the damage to her car and she said 'yes' – so it dealt with the task in hand. It wouldn't have been beneficial to provide needless alternatives. If Ms M didn't intend to claim for damage, it would have asked Ms M to contact the breakdown agent herself.

I issued a provisional decision on 21 June 2017. I thought Hastings should have done more to assist Ms M under the BRC part of her policy. Because it treated the incident as a claim, Ms M wasn't offered any of the assistance she was entitled to receive under the BRC part of her policy. So the issue was much more upsetting and inconvenient for Ms M than it needed to be. I thought Hastings should pay Ms M a further £300 compensation plus £15 fuel costs – if it hadn't already paid that.

Hastings accepted my provisional decision. Ms M also accepted my provisional decision – but pointed out the issues she had after her car should have been recovered which I'm aware of.

So the matter has been passed back to me for a final decision.

### **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. As both parties accept my provisional decision, my final decision follows the same recommendations.

I agree with the investigator's recommendations which Ms M has accepted. The remaining issue for me to decide is whether Hastings treated Ms M reasonably when she called for help. I don't think it did and I'll explain why.

Under Ms M's BRC part of her policy it says:

*"Roadside & recovery in the UK – see Section B in your Document of Insurance.*

*As well as the benefits above, if your vehicle cannot be repaired at the roadside or at a local garage the same day we will arrange one of the following:*

- *For the vehicle, driver and up to six passengers to be taken to your destination or home."*

Ms M's policy doesn't provide cover if she broke down within a mile from her home. But this doesn't matter as Ms M told the agent she was ten minutes drive away. So as she'd broken down over a mile away from home, the above section of her policy applied – and Ms M could have been transported home.

The policy defines the term 'breakdown' as; *"not being able to use the vehicle because of ...an accident."* So the circumstances which led to Ms M calling for help meant she could have used the BRC part of her policy.

I've listened to the calls from the evening in question. It's clear that Ms M was in great distress from the beginning of her conversation with the agent. She explained that she felt vulnerable, she was freezing cold (it was February); she was scared and unable to contact a friend to come and pick her up.

Ms M repeatedly asked to be recovered and be taken home. She was anxious about how long it would take for the recovery agent to reach her – and worried that the battery on her phone would die. She said she wasn't asked this many questions before when she'd broken down – and she desperately wanted help.

I think it's only reasonable that Ms M answered 'yes' when Hastings asked her if she wanted to claim for the damage to her car – as she wanted it to be repaired. But this doesn't mean she couldn't also claim under the breakdown part of her policy. So I think Hastings failed to provide Ms M with the right help in line with what she was covered for under her policy.

Given the length of time she was on the phone for and the obvious distress she was in, I don't think it was appropriate for Hastings to insist on continuing with its claims process. And because it dealt with only the accident claim, it offered to only recover Ms M's car and not her. So Hastings told Ms M she needed to agree to have her car recovered without her. At one point Ms M was crying at the prospect of being left at the roadside, and said her knees were hurting her due to the cold so she wouldn't be able to walk home. The agent then asked her if she had any motoring convictions. Ms M had been on the phone far longer than necessary.

I think Hastings' service to Ms M was unreasonable and it should have done more to assist her. I think it was possible to deal with the breakdown part and then her claim. After all, Ms M had paid for breakdown cover on top of her car insurance. Had it done this, I think the distress and vulnerability Ms M already felt wouldn't have been made worse. And she was entitled to be recovered to her home address, which is what Ms M repeatedly asked for. Hastings says the recovery agent located Ms M's car at 9.47pm but couldn't locate her. It's provided the call recording between it and the breakdown provider. The agent Hastings spoke to read the information from the breakdown notes. We have a copy of these notes – which at 9.47pm read:

*“(recovery agent name) trying to locate cust, I’ve tried contacting cust numerous times and left vm to call back asap, no call back, ops advised to stand down, no trace.”*

Ms M says she was with her car until 11pm. I can’t be certain if she was. But I don’t think it’s clear from the notes that the recovery agent located Ms M’s car. It says the agent tried to call Ms M. So I don’t think it necessarily follows that the reason the agent couldn’t recover Ms M’s car was because she wasn’t with it at 9.47pm.

Because Hastings dealt with the matter as a claim, this meant the call took a lot longer as it asked Ms M a series of questions. Ms M was clearly upset at having to answer so many questions when she was in the situation she was in. Hastings could have followed up with the claim the next day and helped Ms M under the breakdown part of her policy to prioritise getting her safely home. Ms M had been on the phone for over half an hour before Hastings instructed a recovery agent – which then gave an estimated arrival time of between 60 and 90 minutes.

So I don’t think a further £100 compensation fairly reflects the trouble and upset Hastings caused Ms M that evening. I think Hastings should pay Ms M compensation of £300 along with £15 for fuel costs. This is on top of the £100 compensation it’s already paid for its service failings after Ms M first called it. Ms M was upset when she was contacted by the police as her car still hadn’t been recovered a few days later. Ms M didn’t have use of another car, so she had to make arrangements to meet the recovery agent to hand over her keys after the police called.

### **my final decision**

I uphold this complaint and I require Hastings Insurance Services Limited to pay Ms M a further £300 compensation and £15 fuel costs (if it hasn’t already done so) for failing to deal with her claim as a breakdown as well as a claim.

Hastings must pay the compensation within 28 days of the date on which we tell it Ms M accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mrs M to accept or reject my decision before 7 August 2017.

Geraldine Newbold  
**ombudsman**