

complaint

Mr G complains that Aviva Insurance Limited (Aviva) has declined his claim for the payment of unemployment benefit, made under the terms of a payment protection insurance ('PPI') policy taken out to cover a loan in 2010.

background

At the time of taking out the policy, Mr G worked for a company (employer 1) on an 'as and when required' basis. Mr G says that in November 2010 this company's need for staff was reduced due to a refurbishment project. A number of staff, including Mr G, were essentially let go at this time, although Mr G remained on the list of bank staff that could be called on for future work.

Mr G then found work with another company (employer 2), again on an 'as and when required contract'. However, Mr G says that, because he raised concerns about professional standards and the risk to his professional registration, the company stopped offering him appropriate work. Mr G ultimately resigned in July 2011, having obtained an offer of employment from a third company (employer 3).

Unfortunately, Mr G says that due to lengthy delays in his new employer obtaining the relevant certification, he was unable to start work with them until the end of January 2012.

Mr G therefore submitted a claim to Aviva for the payment of unemployment benefit from July 2011.

Following investigation of the circumstances, Aviva eventually declined Mr G's claim on the basis that he had resigned from employer 2 and the terms of the PPI policy excluded loss of employment due to resignation.

my findings

Mr G in particular has provided a great deal of testimony in relation to how he came to make an unemployment claim. Whilst I have only given a brief summary above, I would like to assure both parties that I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

This decision is solely concerned with the actions of Aviva with regards to its assessment of Mr G's unemployment claim. I will not therefore be considering the actions of the business that sold the policy to Mr G or addressing any of the concerns Mr G has expressed during the course of the complaint that relate to the conduct of other organisations.

I would also reiterate what has previously been explained to Mr G, by the adjudicator who first investigated his complaint, that it is not the role of this service to determine whether Mr G was effectively the victim of constructive dismissal by his second employer which directly led to him resigning his position. My role is restricted to determining whether or not Aviva has correctly and fairly applied the terms and conditions of the PPI policy.

Mr G has said that the policy exclusions did not form part of his original agreement. However I have seen a copy of the policy document that was in force at the time that Mr G took out the PPI with his loan.

The policy states that someone is not covered 'if you have resigned or taken voluntary redundancy'.

In July 2011 Mr G sent an email to employer 2 that said 'I am informing you that I am resigning my job with (employer 2) as of today'.

Despite this email, Mr G has sought to argue that he was in fact employed by all three employers at the time because 1) he was still a bank employee with employer 1 and could have been called on to work; 2) employer 2 emailed him in October 2011 asking him if he could do a shift, which calls into doubt his resignation (and they also texted him about covering shifts apparently) and he was coerced into making that resignation anyway, and 3) he had been accepted onto the books of employer 3. It was the failure of all three organisations to provide him with adequate work that caused him to make an unemployment claim.

In my view, Mr G's could not be said to still be working for employer 1 in July 2011 when he had not carried out any shifts for them since November 2010. The fact that he still featured in their list of bank staff doesn't persuade me that he could be said to be employed by them in any real sense (and he certainly didn't meet the definition of 'work' detailed in the policy document as paid work of at least 16 hours per week, in relation to this employer).

Mr G was clearly employed by employer 2 until his resignation in July 2011. I am not persuaded that the offer made to him to work a shift at a later date negates the resignation. It seems to me that, as a previous 'as and when required' employee, they were contacting him on the off chance that he would be available and willing to work a shift, in spite of his resignation. As far as I'm aware, Mr G turned down this offer of work, which would appear to be in line with his decision to no longer work for that company.

As previously stated, I am unable to consider the behaviour of employer 2 that Mr G says led him to resign. Neither can I look into Mr G's allegation that he was coerced into resigning.

Although Mr G says that he had been taken on by employer 3, he hadn't carried out any paid work for them, and so I don't think that he can be classed as an employee at that stage.

So my position is that I find that Mr G was working for employer 2 only in July 2011. And I also find that, whatever the reasons behind it, it was Mr G's decision to resign.

The PPI policy excludes claims for unemployment arising from resignation. As I take the view that Mr G voluntarily resigned from his position with employer 2, I cannot find that Aviva was acting unreasonably in seeking to apply this policy exclusion.

It follows that I do not uphold Mr G's complaint.

my final decision

It is my decision that I do not uphold Mr G's complaint and I make no award against Aviva Insurance Limited.

Carole Clark
ombudsman