

The complaint

Mr B complains that Hastings Insurance Services Limited gave him poor service that led to his motor insurance policy being cancelled.

What happened

Hastings wrote to Mr B several times in September 2019 to tell him it hadn't been able to collect his direct debit premium payment at the start of the month. It said if the payment wasn't made by 20 September 2019 the policy would be cancelled.

In the meantime, Mr B had been involved in an accident where his car was written-off. He'd been in contact with Hastings about getting a replacement car and about the sum due to him for the car's market value. He called Hastings on 20 September 2019 and was told that an advisor would call him later that day about the valuation. Hastings agreed (when Mr B asked) that he could sort out the premium payment at the same time. An advisor didn't call him later that day, and as the premium payment wasn't made, the policy was cancelled.

Mr B also said that Hastings' advisors gave him contradictory details about getting a replacement car, that they were rude when he spoke to them and that one advisor had laughed at him. He also said an advisor had started to discuss someone else's claim with him and had called him by that person's name.

Hastings accepted that an advisor had given Mr B misleading information. It offered him £50 compensation, which he declined. It also offered him a hire car for three days, which he accepted. Mr B then complained to us about Hastings' actions.

One of our investigators concluded that the cancellation was fair, but that Hastings was at fault for not calling Mr B back as promised. He also considered its poor service when dealing with the claim. In his view, it was reasonable to ask Hastings to pay Mr B £150 compensation. Hastings said it would comment on the investigator's findings, but later it accepted them without further comment. Mr B said he disagreed with the investigator's view. He didn't explain why, except to say that the compensation proposed wasn't enough - and he asked for a review of his complaint by an ombudsman.

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.

I think Hastings acted reasonably. It wrote to Mr B three times in September 2019 advising him that the policy would be cancelled if the payment wasn't made. Mr B called Hastings on the day the policy was due to end. He could have made the payment then, but he didn't. For reasons that he hasn't explained, he decided to wait until another advisor called him to sort out the valuation for his car, even though the cancellation was imminent.

If Mr B intended to pay the missed instalment that day, he had the chance to do so when he called Hastings. I think that since Hastings' advisor promised Mr B that he'd get another call that day - about the valuation - the call should have been made. But I also think it must have

been obvious to Mr B that if he *didn't* get a call, the onus was him to call Hastings again. He knew a payment had to be made that day. I think most consumers would have made the call, rather than allow the cancellation notice to take effect.

Hastings accepted that one of its advisors gave Mr B the wrong information about a replacement car. There were numerous calls about whether Mr B was entitled to a courtesy car or to a hire car. A courtesy car wasn't available as one is only provided under the policy if a consumer's car is being repaired at a garage. Hastings told Mr B from the outset that his car was going to be written-off, but it took a few days for that to be confirmed. Mr B spoke to many advisors about the issue. I've listened to the calls, and I think most of them were very clear when discussing the issue with Mr B.

When Mr B asked about a hire car instead, Hastings explored that option, because at the start he'd told it that the other driver was to blame for the accident. CCTV coverage later showed that in fact Mr B was at fault. That meant any car hire charges Mr B ran up wouldn't be paid for or refunded by the other driver's insurance. I think Hastings' advisors tried to make the car hire situation clear to Mr B. And in my opinion, they were consistent in their advice, except on one occasion.

Hastings thought £50 compensation was enough to make up for that. But I think there was further poor service – in addition to the call that wasn't made on 20 September 2020 - that Hastings didn't address in offering that settlement.

Having listened to over 30 recordings of calls between Hastings and Mr B, I think its advisors were polite and tried to be helpful when dealing with his queries. But in one call, when an advisor had problems in getting Mr B to follow what he was saying, I think his voice conveyed mild amusement. Although I don't think it quite amounted to a laugh, I can see why Mr B picked up on it and why he objected to it. In addition, in two of the call recordings, an advisor called Mr B by the wrong name and it seems he was looking at the wrong file. He mentioned the other consumer's full name, but no details of the claim itself were disclosed - probably because Mr B picked up on the confusion and pointed it out.

Taking everything into account, I think it would be reasonable for Hastings to pay Mr B £150 for poor service (as it has already agreed to do). In the absence of any reasons from Mr B setting out why the compensation should be higher, I think that sum is appropriate to reflect the distress and inconvenience he faced.

My final decision

My final decision is that I uphold this complaint. I require Hastings Insurance Services Limited to pay Mr B £150 compensation for distress and inconvenience. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 18 December 2020.

Susan Ewins
Ombudsman