

The complaint

Mrs A has complained that Hastings Insurance Services Limited said at the end of her 12-month policy term, that £236.10 was still owed.

What happened

In 2018, Mrs A's partner set up a car insurance policy for her. The monthly payments were made by direct debit from Mr A's bank account.

Hastings acknowledged that some of the problems with collecting the direct debits were down to it. But it also said that some of the problems were down to there not being sufficient funds in Mr A's bank account. So, it believed the outstanding balance of £236.10 that it said was still owed, was correct.

Hastings also acknowledged that Mr A had been put to some inconvenience by it whilst trying to resolve the issue. And as a result of other administrative mistakes on its part, it paid Mr A £175 in total for the inconvenience he had incurred.

Mr A's concerns were looked into by one of our investigators. In summary, she thought Mr A had paid what had been requested by Hastings, but she didn't think it was reasonable of it to ask him to pay the balance it said was still owing. She thought there had been an administrative error by Hastings which resulted in incorrect amounts being debited.

After discussing the case with Hastings, it agreed to write off the outstanding balance of £236.10. But due to further delays caused by Hastings in resolving the issue, she thought it should pay Mr A another £75 in addition to the £175 it had already paid him.

Hastings didn't agree, so the case has been passed to me for review.

I issued a provisional decision on 31 January 2020 setting out why I wasn't minded to uphold Mrs A's complaint. I asked for responses by 1 March 2020.

In response, Mr A said on behalf of Mrs A that the reason he was dealing with the complaint was because his wife was stressed with dealing with Hastings, as they'd found out they were uninsured for a period of a week, which they weren't aware of. No further submissions were received from Hastings.

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've decided not to uphold Mrs A's complaint. I'll explain why.

When Mrs A took out the insurance policy, the payments were made by Mr A not her. And although there were administrative problems with the payments taken from Mr A's bank account, these were in respect of a policy that wasn't his. The policy was solely in Mrs A's name, and she was responsible for making sure the payments were made.

So, although Hastings dealt directly with Mr A as a result of the direct debit payments coming from his bank account, Mrs A was its customer not Mr A. I understand that Mr A was representing Mrs A.

I can only consider the impact on Mrs A as a result of what's gone on. Hastings has now agreed to write off the balance that it said was owed by Mr A (which Mrs A was ultimately responsible for). So, that aspect of the complaint has now been resolved.

So, the issue outstanding that I need to consider is the inconvenience caused as a result of Hastings' administrative errors. But, as Mr A has been dealing with the administration of the account, the impact has been on him and not Mrs A.

Hastings has paid Mr A £175 for the inconvenience he has been caused. And our investigator suggested a further £75 to compensate Mr A for the further inconvenience he had been caused.

Mr A has said in response to my provisional decision that Mrs A was stressed when dealing with Hastings as a result of finding out that she was uninsured for a week. I accept that might have been the case, but I think the £175 already paid by Hastings is enough compensation for the administrative errors caused by it and any inconvenience and upset Mrs A may have suffered. As a result, I don't think Hastings needs to do anything further.

My final decision

For the reasons I've set out above, my final decision is not to uphold Mrs A's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 24 April 2020.

Simon Dibble
Ombudsman