

The complaint

Mr P has complained that having found alternative motor insurance he was unable to stop his motor insurance policy held with Hastings Insurance Services Limited trading as Hastings Direct (Hastings) from renewing.

What happened

Hastings wrote to Mr P on 12 February 2021. The letter explained Mr P's policy would renew on 13 March 2021 and gave the cost for the renewal. The letter also explained that unless Mr P told Hastings otherwise the policy would auto-renew. A phone number was provided within the letter.

Mr P has told us he shopped around and as he found a more competitive quote elsewhere decided not to renew with Hastings.

Mr P went to the Hastings website and to his account, but found he was unable to stop the renewal. Mr P has told us that he was given two options, one was live chat, and the other was a telephone number. The live chat function didn't work, and he was unable to get through on the telephone number provided despite trying several different options on different occasions.

Mr P also looked at the option to email Hastings, but the advice was that Hastings would try to respond within three days.

Mr P found he had no other option but to fill in a complaint form in order to stop his policy from renewing.

Following Mr P making his complaint Hastings did stop his policy from renewing. It apologised for the call waiting times and explained it was working on reducing them.

Mr P has explained that his complaint wasn't just about the call waiting times, it was that he was prevented from stopping his policy from renewing, and unless he made his complaint his policy would have renewed, and the premium would have been collected from him.

Our Investigator considered Mr P's complaint but didn't think it should be upheld. Mr P disagreed so this complaint has now been passed to me to decide.

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 can't tell any business to change its processes; this is the job of the regulator. Instead I will look at Mr P's individual complaint and how the actions of Hastings have affected him directly.

When Mr P took out his policy in March 2020, he was sent his insurance documents. The documents stated the following:

“We automatically renew most policies. This means if one of our insurers offers you a premium, we'll send you a renewal invitation at least 21 days before your policy's due to end. Your new insurance cover will start on your renewal date, 13th March 2021.

If you don't want us to renew your policy, or wish to opt out of the automatic renewal process, please let us know before your renewal date by contacting our customer services team.”

So, I am satisfied Mr P's policy was set to auto-renew unless Mr P contacted Hastings. This is common across the motor industry and I don't think Hastings acted unfairly by setting up Mr P's policy in this way.

On 12 February 2021 Mr P was sent his renewal documents for his motor insurance policy due to renew on 13 March 2021. The documents explained the following:

“What happens next

Unless you tell us otherwise, we'll automatically renew your policy and your new cover will start on 13th March 2021. On this date, we'll send your new insurance documents and your renewal will be due for payment.

We're here to help

If you don't want to automatically renew your policy, or you'd like to discuss or change any details please contact us on 0333 321 9790.”

I consider this to be good customer service. The letter reminds Mr P that his policy is due to renew and gives enough time for Mr P to shop around for an alternative. The letter also reminds Mr P that his policy is set to auto-renew.

Mr P has told us he attempted to stop his policy renewing online but wasn't given a simple option to do so. The live chat function on the site wasn't working and he was unable to get through on Hastings' phone number.

Hastings has confirmed it has made a business decision not to allow customers to stop the renewal of policies online. This is to:

“prevent the risk of a customer's policy being cancelled or lapsed maliciously, thus reducing the risk of our customers driving uninsured without their knowing.”

I think this explanation is reasonable, and as I've explained above, I am unable to tell a business to change its processes, as this is not within my remit.

Hastings has also apologised for the trouble Mr P had attempting to get through to it on the phone. It has explained that at times the lines are busier but that it is working on reducing call waiting times. I think it's reasonable that at times it takes longer to get through to businesses than most customers would like. But I think Hastings' apology for this is fair.

Mr P went on to use the complaint form on the Hastings website to stop his policy from renewing. This was successful and Mr P's policy did not renew.

Mr P has told us that had he not used the complaint form his policy would have renewed and Hastings would have taken money directly from him. Having thought about what Mr P has said, I agree this could have happened, but it didn't, and I don't think it would be reasonable of me to decide Mr P's complaint based on a hypothetical situation.

As I've said above Hastings does not give customers the option to stop renewals online and I think its reasoning for this is fair. So even if the chat facility was working Mr P would still have had to call Hastings.

Hastings has apologised for the experience Mr P had when attempting to get through to it by telephone and I think this is fair.

Fortunately, Mr P did use the online complaint form which was responded to before his policy renewed and he was not impacted financially. So, I don't think Hastings should have to take any further action to resolve Mr P's complaint.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 3 December 2021.

Terry Woodham
Ombudsman