

The complaint

Mr A complains about the service received from his insurance broker, Hastings Insurance Services Limited trading as Hastings Direct (Hastings) when he requested information and needed to make changes to his motor insurance policy.

There are several parties and representatives of Hastings involved throughout the complaint but for the purposes of this complaint I'm only going to refer to Hastings.

What happened

Mr A had a motor insurance policy through Hastings. In August 2021 he rang Hastings and asked it for a quote to insure his new car. This was given and Mr A was told he had 24 hours to accept the quote. He also informed it of a change of address.

During the call Mr A asked Hastings for details of his no claims entitlement as he wanted to make a comparison of available motor insurance policies with other providers. He was told he had nine-plus years. Mr A wanted a specific number of years stating so he could answer questions accurately about the number of years he had. Hastings' representative was unable to answer and said she would get a manager to call him back.

Mr A did not receive a call back as he had been told. So the following day he called Hastings and spoke to a different representative. This representative also could not answer Mr A's question regarding specific no claims entitlement years. During this call Mr A asked if he could progress with the quote given to him the day before, as it was within 24 hours. He was told he couldn't as the quote was not valid the day after. Mr A also checked that the change of address he had given during the call the day before had been updated. It had not.

The representative made the amendment to Mr A's address and said this change to his policy details meant he would get a refund of £20.77. When Mr A asked for an explanation it was explained to him the refund was a total of £40.77 refund of premiums and there was a £20 administration charge. He was told as he paid for his policy premium through a monthly direct debit agreement the refund would be returned to him over the coming months.

Mr A was not happy with the charge and said he was not notified of such a charge. He said he would cancel his policy the next day.

The policy was cancelled by Mr A on 2 September 2021. Hastings confirmed the cancellation by letter and informed him of an outstanding balance to pay.

Mr A said he heard nothing more from Hastings but did receive a payment of £30 into his bank account. The next contact he had was from a debt collection agency in October 2021 seeking payment of the outstanding balance.

As Mr A was not happy with Hastings, he brought the complaint to our service.

Our investigator did not uphold the complaint. They looked into the case and they found that Hastings acted swiftly to accept its failings and apologised for them. They thought the £30

compensation paid by Hastings fairly and reasonably made up for the impact its failures had on Mr A.

As Mr A is unhappy with our investigator's view the complaint has been brought to me for a decision to be made.

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.

After Mr A made his complaint, he said he had no more contact from Hastings. However our service found that on 6 October 2021 Hastings had sent a response to his complaint. Mr A said he hadn't received this as he had changed his email address which explains why the response to his complaint from Hastings was not received.

In its response Hastings:

- confirmed the fees charged.
- Acknowledged a shortfall in its service when it had given incorrect information about how long a quote was valid for.
- Gave an explanation on how it could not be more specific on the no claims discount.

Mr A said he was *"unaware of a mid-term adjustment fee."*

In this case the fees charged were:

- £20 Policy arrangement fee
- £20 Policy mid-term amendment fee
- £45 Cancellation fee

I looked at the terms and conditions of Mr A's policy. It says;

"Our fees

We make charges for administering your insurance. The administration fees are for our services only. Each fee must be paid at the time the transaction is made and is non-refundable.

If you make any changes to your policy we will charge you the additional fee for amendment to your Policy. Details of our fees are given to you with your policy documents issued at inception and renewal.

They're available in the app in MyAccount: www.xxxxxxxxxxxxxx.

•On a single Car Policy, the fees table as shown on your cover summary document."

I found the details of Hastings' fees are clearly set out in the fees table in Mr A's cover summary document. The above fees charged were described in the summary document.

Therefore I think Hastings were clear about the fees that are charged. And it applied the fees within the terms and conditions of the policy.

It was Mr A's choice to cancel his policy with Hastings, so I think it was fair for it to charge the cancellation fee. But Mr A said the sole reasons he cancelled it was because of the errors made by Hastings.

Hastings admitted it gave Mr A the wrong details of how long the quote for the new car was valid for and that it did not come back to him with clarification about the no claims bonus until it responded to his complaint. Hastings paid Mr A £30 compensation *'by way of an apology'* for its errors.

Mr A said he is unhappy with the outstanding balance after cancellation. The amount due was included in the cancellation letter sent to him on 2 September 2021. Hastings also explained in detail the breakdown of this amount in its response to his complaint in October 2021.

On review of the explanation given by Hastings about the outstanding balance, it was found that it did not add up correctly. An updated breakdown was provided during our investigation, and after review of this, I found it to be accurate. The outstanding balance is still due to be paid by Mr A.

Although I understand Mr A will be disappointed, I don't uphold his complaint. I think the £30 paid in compensation is an acceptable amount and makes up for the impact of Hastings' failures on Mr A and the inconvenience he's suffered.

My final decision

For the reasons I have given I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 12 August 2022.

Sally-Ann Harding
Ombudsman