

The complaint

Mrs M complains that Hastings Insurance Services Limited didn't tell her that the excess for her motor insurance policy had increased. She wants this reduced to £145 as in the previous year and £350 compensation for the stress and anxiety caused.

What happened

Hastings sent Mrs M her policy renewal documents. It told her to check her details and the excess amounts as they may have increased. Mrs M called Hastings to discuss her quote and it provided a new quote and confirmed that she had the same cover as previously. But Mrs M then found that the excess had increased. She complained to Hastings which said she could only reduce the voluntary excess.

Our Investigator didn't recommend that the complaint should be upheld. He thought Hastings hadn't told Mrs M in the call that her excess had increased. But he thought it hadn't misled Mrs M as this was stated in the renewal documents. He thought Mrs M had opportunity to decide not to renew her policy. He thought Hastings had explained that Mrs M could reduce her voluntary excess. So he thought Hastings didn't need to do anything further.

Mrs M replied that Hastings' agent hadn't told her in the call that her policy excess had increased. Mrs M wanted her excess reduced for the same premium and compensation for her time and stress. Mrs M asked for her complaint to be reviewed by an Ombudsman, so it's come to me for a final decision.

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.

Mrs M's policy excess increased from £145 to £195 in her new quote at renewal. I can see that this was due to an increase in the compulsory excess from £45 to £95. Hastings explained that underwriters increased the compulsory excess from time to time. I can also see that there was an increase in the excess for windscreen replacement, but Mrs M hasn't complained about that. The renewal invite asked Mrs M to:

"Read and check your details

A lot can change in a year, so please check this cover still meets your needs. You have been with us a number of years. You may be able to get the insurance cover you want at a better price if you shop around.

Your quote is based on the details in the attached Statement of Insurance and Cover Summary, so if anything's changed, let us know. Make sure you check your excess amounts as they may have increased."

Mrs M's premium had also increased, and she said she found cheaper cover elsewhere. So she called Hastings to discuss her quote. The agent she spoke to found a cheaper quote and, from the call I've listened to, confirmed that Mrs M's cover remained the same. And the agent also told Mrs M to read her new policy documents including the excesses.

I agree that the agent didn't tell Mrs M in the call that the policy excess had increased from the previous year. But I'm satisfied that this was already set out in the renewal invite and it was also set out in the new quote sent to Mrs M. And I'm satisfied that Mrs M was reasonably directed to her check her documents, including the policy excesses.

Mrs M called Hastings the day after she received the new documents to complain. And so I'm satisfied that she was aware of the increase in the excess amounts before the policy renewed more than two weeks later. And I think this gave Mrs M reasonable opportunity to decide to not agree with the increased excess and not take the policy renewal which she could have cancelled at no charge.

So I'm satisfied that Hastings did enough to make Mrs M aware of the excess increase in the documents sent to her. I can't say that the agent intentionally misled Mrs M in the phone call. I think the agent answered Mrs M's questions fairly and told her that her cover remained the same as in her renewal invite. I think that Hastings not telling Mrs M about the excess increase in the call didn't cause her any loss as she had sufficient information to make an informed choice about her renewal.

Hastings also told Mrs M that she should call it to discuss reducing her voluntary excess if she so wished. But Mrs M renewed her policy. So I think Hastings has treated Mrs M fairly and reasonably and that it doesn't need to do anything further.

My final decision

For the reasons given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 10 February 2023.

Phillip Berechree
Ombudsman