

The complaint

Mr M complains about how Hastings Insurance Services Limited (“Hastings”) handled the renewal of his car insurance policy meaning that he had to pay more for a new policy.

What happened

Mr M had a motor insurance policy arranged through Hastings as his broker which was due to renew in late November 2021.

Mr M didn’t receive his usual renewal invitation by post. He wasn’t able to access an email address used by Hastings to also send out the renewal details.

Hastings cancelled the policy and wrote to Mr M.

Mr M was using his car continually, which was during a period when he’d sadly lost a family member.

He called Hastings who told him that he’d have to take out a new policy. His renewal was priced at £265.40, and the new policy was £434.69 (which included a fee of £12.50 for setting it up over the phone – which Hastings agreed to waive).

Mr M said he would struggle to afford to pay the amount. Hastings’ staff told him he could take the policy out and shop around for another policy.

Hastings also told him he could raise a complaint but that it wouldn’t be upheld.

Mr M bought the policy. He remained unhappy and brought his complaint to this service.

Our investigator looked into Mr M’s complaint and upheld it. She thought Hastings had displayed a lack of empathy and its suggestion to take the policy, then shop around was poor and didn’t take account of his needs. She said it should pay him £200 for his distress and inconvenience.

Both Mr M and Hastings accepted the view. But Hastings didn’t contact Mr M or make payment. Because Hastings didn’t pay Mr M, this case has been passed to me to make 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.

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I’m very sorry to hear about Mr M’s loss in late 2021 and I’d like to take this opportunity to extend him my best wishes.

I'm also very conscious that this matter continues far later than I'd have expected. I'd expect that by issuing this final decision, Hastings will close the matter in the proper way by making a speedy payment to Mr M.

Our investigator has provided both parties with an extensive breakdown of what took place during November and December 2021. I've reviewed the whole file and I've listened to the calls Mr M made in December 2021 where he explained his situation of recent loss and confusion.

It seems to me that some of the Hastings staff he spoke with showed little sympathy for him. Their focus seems to be on him taking out the new policy. Mr M's car was uninsured when he had those conversations, so I can understand why getting cover started was important, but Mr M is very clear in those conversations about what had happened in his family and that he was having to cope with those events.

I think it's clear that Mr M should have been recognised as a vulnerable customer and treated accordingly. He was sold a new policy and told he could cancel it while he arranged another policy from another company. This is while dealing with bereavement and arranging a funeral.

During one of the conversations, Mr M says he's unhappy. Hastings' call handler says he can make a complaint, but that the complaint wouldn't be upheld. Mr M received an email about a week later telling him that this complaint had been resolved.

I think this is very poor service from Hastings.

I've also looked at Hastings' renewal process, and I can see it reasonably sent Mr M his details by two methods, which is good practice. I know Mr M says he didn't receive the postal version, but I can't say that's Hastings' fault.

Mr M has also said he thought the policy was set to auto-renew. I've not seen confirmation of this either way, but Hastings discovered that it'd turned off auto-renewal on Mr M's policy in 2018 and I can see that's noted on the 2021 documents that Mr M didn't receive. So I think it's more likely than not that his policy wasn't set to auto-renew, and I can't say Hastings has acted unfairly.

Taking everything into account, I think Hastings' service has been poor. It did provide Mr M with the cover he needed, but the service it provided was poor and didn't take account of his circumstances.

I'm mindful of the passage of time due to Hastings' lack of response to our investigator's view. So I think the logical thing to do is to uphold this complaint and award £200 for Mr M's distress and inconvenience due to Hastings' poor service.

My final decision

It's my final decision that I uphold this complaint. I direct Hastings Insurance Services Limited to pay Mr M £200 compensation for his distress and inconvenience.

Hastings Insurance Services Limited must pay the amount within 28 days of the date on which we tell it Mr M accepts my final decision. If it pays later than this, it must also pay interest on the amount from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or

reject my decision before 2 June 2023.

Richard Sowden
Ombudsman