

The complaint

Mrs N complains that due to an administration issue by Hastings Insurance Services Limited trading as Hastings Direct (Hastings), she was stopped by the Police for driving without insurance.

What happened

In October 2022 Mrs N changed the car insured under her motor insurance policy. Hastings issued new documents and the policy was renewed around two months later.

In January 2023 Mrs N was stopped by the Police as her vehicle wasn't showing as insured. This was because Hastings had input the incorrect vehicle registration number when the vehicle was changed.

Hastings apologised for the error and offered £150 compensation. They also confirmed that if anything had happened the vehicle would have been covered.

Mrs N was unhappy with the level of compensation offered and also believes she should be given a refund for the period of time the registration was incorrect. As Mrs N remained unhappy with Hastings, she approached this service.

Our investigator looked into things, but he didn't recommend Hastings do anything further. He thought the compensation already offered was reasonable. He also said that Mrs N was sent documents which showed the incorrect registration and she didn't make Hastings aware of this.

As Hastings had confirmed the car would have been covered if anything had happened, as the issue was due to their error, the investigator didn't recommend Hastings refund the premiums.

Mrs N didn't agree and asked for a final decision from an ombudsman.

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.

Having done so, I've reached the same outcome as our investigator.

Hastings accept they made an error when Mrs N changed her vehicle. Despite phonetically reading back the correct registration, their agent input one letter incorrectly. And this resulted in the car not showing as being insured, which then resulted in Mrs N being stopped by the Police.

Fortunately, Mrs N wasn't prosecuted for driving without insurance, and there was no long-term impact such as increased premiums or points on her licence, and no further action was

taken at the time. Hastings also offered to provide a letter of indemnity if required by Mrs N.

However, I do recognise it would have been distressing being stopped in the first place due to the error made by Hastings.

But I also need to take into account, after the change of vehicle took place, Mrs N was sent new documents which showed the incorrect registration. Whilst Mrs N says they weren't received, if she was expecting new documents which then didn't arrive, she could have chased Hastings for these.

In addition, the policy was renewed after this point, so a new set of documents were sent then too, still showing the incorrect registration. And Mrs N made some changes to the excess on the policy after this but didn't notice the registration was incorrect at any time or make Hastings aware of this.

Hastings has offered £150 compensation for what happened, and I think that amount is reasonable in the circumstances. So, I'm not going to direct Hastings to increase this amount.

Mrs N has also asked for a refund of premiums for the three months the registration was incorrect. However, Hastings has confirmed that if anything had happened, then the car would've been covered as it was their error. Therefore, effectively cover was in place, so I'm not going to direct Hastings to provide a refund for this time.

My final decision

It's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs N to accept or reject my decision before 1 June 2023.

Callum Milne
Ombudsman