

## **The complaint**

Mr and Mrs L complain that Hastings Insurance Services Limited (trading as Hastings Direct) was initially unable to renew their home insurance.

Both Mr and Mrs L are both named policyholders, so any claim or complaint is brought by them both. But for simplicity, and because most of the information about the complaint has been provided by Mr L, I'll refer mainly to Mr L from here onward.

## **What happened**

Mr L bought a home insurance policy via Hastings Direct in October 2020 and renewed it in 2021. Hastings Direct wrote to Mr L in September 2022. It told him his current insurer wouldn't renew his policy in October 2022. After further communication, Hastings told Mr L it couldn't find a renewal quote among its panel of insurers. It suggested he use price comparison websites to search for a new insurer.

Mr L did this and found cover via Hastings Direct with his existing insurer. However, the price of his new policy was significantly higher than his old policy. Mr L was unhappy about this and complained to Hastings Direct.

Hastings Direct upheld part of Mr L's complaint. It said the original renewal was declined because it wrongly recorded a claim twice on its systems. However, it told him it had no control over pricing, and this was a matter for his insurer. It apologised for its error and offered Mr L £100.

Mr L wasn't happy with this response and brought his complaint to this service. He doesn't believe £100 adequately compensates him for the aggravation and stress the matter caused him.

Our investigator didn't recommend that Mr L's complaint should be upheld. She agreed that Hastings Direct had made an error when it recorded Mr L's open claim twice but explained that Hastings Direct's role was limited to arranging Mr L's policy, and it wasn't responsible for setting the new premium. While she accepted that Mr L had to search online for new cover, she thought this had caused Mr and Mrs L minor inconvenience. She thought Hastings Direct's £100 offer was fair.

Mr L disagreed with our investigator, so the case was 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.

First, Mr L has a separate complaint with this service against his policy underwriter about his subsidence claim so I'm not going to cover that here. My decision relates only to Hastings' actions as the insurance intermediary.

Mr L has levelled several accusations against Hastings Direct. In summary, he says:

- Hastings Direct repeatedly lied to him.
- It added incorrect claims to his policy.
- It amended his no claims discount due to these incorrect claims.
- It threatened that he wouldn't be able to get insurance elsewhere.
- It charged him “excessively” for his new policy.

I understand why Mr L is disappointed and frustrated that his new policy cost much more than his old one. However, as Hastings Direct and our investigator have explained, pricing decisions are for the underwriter (the insurer), not the intermediary (Hastings Direct). Similarly, the insurer is responsible for any changes to a customer's no claims discount.

It's clear that Mr L did make a claim on his policy for damage to his home. That claim is the subject of his other complaint with us. Hastings Direct's error – which it acknowledged – was to duplicate that claim on its records. That affected its attempts to renew Mr L's policy with its panel of insurers. As Hastings Direct explained, Mr L was able to find cover online by not including details of that claim in his searches. I've found no evidence that its agents lied to him or deliberately misled him.

I suspect much of Mr L's frustration with Hastings Direct is linked to his insurer's handling of his claim. But, as I've said, that's not relevant to my decision on his complaint about Hastings Direct's actions at renewal in September/October 2022.

Mr L was able to find new cover quickly and before his existing policy expired, so at no time was he left uninsured. Given the circumstances, I think Hastings Direct's apology and £100 offer is fair. I'm not going to ask it to do anything more. I leave it to Mr and Mrs L to decide whether they want to accept this offer.

### **My final decision**

My final decision is that I don't uphold the complaint because I think Hastings Direct's offer is fair.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L and Mrs L to accept or reject my decision before 15 November 2023.

Simon Begley

**Ombudsman**