

The complaint

Mr I is unhappy with the service provided by Hastings Insurance Services Limited trading as Hastings Direct when purchasing car insurance.

Mr I's representative has also made comments that I've considered when reaching an outcome on this complaint. For ease of reference I have referred to Mr I throughout this final decision.

What happened

While searching for car insurance online, Mr I found a quote with Hastings and contacted Hastings to discuss a policy he was interested in buying. Mr I asked the Hastings representative whether the policy he'd found included a telematics device. He was told it didn't. Mr I went ahead and purchased the policy.

Mr I was sent policy documents. On review of this information he realised that the policy he'd been sold included a telematics device being fitted on his car. Mr I complained to Hastings about the sale of the policy. Mr I also complained about the time taken to get through to a Hastings representative to discuss his concerns, and the service provided in general.

In resolution of his complaint, Mr I asked for Hastings to cancel the policy he'd been sold and instead sell him a policy without the telematics device at the same cost. Hastings told Mr I that the online process did clearly explain what type of policy Mr I would be purchasing. But the adviser could've done more to make this clear to Mr I.

Hastings also explained they wouldn't be able to sell Mr I another policy at the same cost because a policy with a telematics device included is competitively priced due to Hastings being able to monitor driving behaviours. Hastings informed Mr I that he could cancel his policy before the telematics device was due to take effect, and he would not need to declare the cancellation going forward to any future insurers. Hastings also said Mr I would not be charged a cancellation fee. Hastings paid Mr I £200 in recognition of the impact on Mr I because of their service failings.

Mr I subsequently cancelled his insurance policy, but remained unhappy with the response from Hastings, and brought his complaint to the Financial Ombudsman Service. The investigator found that the £200 offered was reasonable compensation for the impact on Mr I, and didn't recommend Hastings do anything more in settlement of Mr I's complaint. Mr I rejected these findings saying (amongst other things) *'Before concluding a final response. I'd like to go through this thoroughly making sure every single detail has been captured and reviewed including emails and call transcripts.'*

As the complaint couldn't be resolved, it has been passed to me for 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.

I thank Mr I for taking the time to explain everything that's happened when taking out insurance with Hastings. I understand it has been a stressful time for Mr I. I'd like to reassure the parties that although I've only summarised the background to this complaint, so not everything that's happened or been argued is set out above, I've read and considered everything that has been provided.

Mr I feels strongly that Hastings have treated him unfairly by refusing to compensate him for the additional premium he has had to pay. Mr I also says Hastings have not offered reasonable compensation for the stress and upset caused to him because of his dealings with them. Hastings say that the offer they've made to put things right is reasonable. Hastings say they wouldn't offer to reimburse the cost of a new policy purchased by Mr I without a telematics device, as this type of policy would generally be more expensive.

It's not disputed that Mr I's decision to purchase insurance was impacted directly by what he was told by a Hastings representative. When we find that there has been poor service caused by something that a business did (or failed to do), we'd usually recommend that the business takes steps to put things right, so that the customer is put back into the position they would've been in (in so far as is possible), had the poor service not happened.

In this case, if Mr I had been correctly informed that the policy he was purchasing included a telematics device, then more likely than not, he would not have gone ahead with the purchase. I've considered this alongside the offer made by Hastings to put things right following Mr I's complaint.

Hastings offered to cancel Mr I's policy at no cost to him. They also confirmed to Mr I that he wouldn't have to disclose this cancellation going forward to any future insurers. Hastings also offered Mr C £200 in recognition of the inconvenience and upset caused to him because of what had happened, and overall poor service provided. This amount was also in recognition of what Mr I had explained about the difficulty in speaking to a Hastings representative when trying to make a complaint about the policy that he'd been sold.

When thinking about what's happened, including what Mr I has explained about the impact on him, and the time timescale in which Mr I's complaint was resolved, I think the £200 offered is reasonable and broadly in line with what we'd recommend in the circumstances. This amount takes into consideration the upset caused to Mr I in taking out insurance that he didn't want (because of what he was told by a Hastings representative), but also that Hastings logged Mr I's concerns and provided options to put things right within two weeks of receiving Mr I's complaint.

Mr I has now been put back into the position he would've been in had he not purchased the insurance policy with Hastings in the first place. I do accept what Mr I has said about the stress caused to him. But I am satisfied Hastings' offer to put things right is reasonable. The offer of compensation reflects the trouble caused to Mr I but also considers the time in which the complaint was resolved. I haven't seen any evidence of further aggravating factors which would indicate that this amount should be increased. Because of this, I won't be asking Hastings to do anything more in settlement of this complaint.

My final decision

For the reasons provided I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 25 October 2023.

Neeta Karelia
Ombudsman