

The complaint

A company, which I'll refer to as C, complains that Hiscox Insurance Company Limited (Hiscox) incorrectly debited its account twice in one month.

What happened

C took out a Business Insurance policy with Hiscox on a non-advised basis which was due to start on 31 January 2024. C opted to pay for its policy on a monthly payment plan.

C said that in February, Hiscox incorrectly debited its account twice. C said it was only expecting one payment to be taken and so C asked Hiscox to refund the second payment.

Hiscox said that the payment was taken correctly and therefore refused to refund any of the payments taken.

Unhappy with Hiscox's response, C brought its complaint to the Ombudsman Service. Our Investigator didn't uphold C's complaint. He thought Hiscox had taken the payments correctly and they didn't need to do anything differently. C didn't accept our Investigator's findings and so the complaint has been passed to me to decide.

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 want to assure both parties that I've read and carefully considered everything they've said but I won't comment on everything. This is not intended as a discourtesy, but a reflection of the informal nature of the Ombudsman Service.

My role is to decide whether Hiscox have acted fairly and reasonably when taking the payments in question. Having reviewed everything available to me, overall, I think Hiscox have acted fairly and reasonably. I'll explain why.

The crux of this complaint centres on Hiscox debiting C's account twice in February 2024. It is evident from the policy documents provided that the annual premium for C's policy is £342.09. Hiscox debited a payment of £28.48 and £28.51 in February 2024 towards the cost of the premium. The remaining cost was then split over the following 10 months, with the last payment scheduled to be debited in December 2024. According to the payment schedule provided to the Ombudsman Service, I'm satisfied there haven't been any errors in collecting the payments for the policy in question.

Hiscox accept that during the inception call on 31 January 2024, the advisor didn't confirm when the first payment would be taken and Hiscox apologised for this. I can see why this has caused confusion for C and I think it would have been reasonable to have given C this information. However, in any event, I can't see that C has suffered a financial loss as a result of Hiscox not informing it about the first two payments at inception. I say this because a payment schedule was provided after inception of the policy, which clearly showed that in

the month of February two payments would be debited, and the remaining payments debited over the following 10 months. C doesn't dispute receiving the payment schedule after inception of the policy. It appears to me that C mistakenly thought 13 payments were being collected, however I can't see that this is the case.

I'm satisfied that the payment schedule I have seen details 12 payments which are to be debited over 11 months and they total to the price quoted for the cover (£342.09). I haven't seen any evidence that this is incorrect or that C has been incorrectly charged.

Although I appreciate that C is unhappy Hiscox didn't inform it about the initial two payments before debiting them, for the reasons stated above, I can't reasonably require Hiscox to refund the second payment as it was correctly due.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask C to accept or reject my decision before 19 September 2024.

Ankita Patel
Ombudsman