

complaint

Miss G complains that Hastings Insurance Services Limited did not give her adequate notice that it was cancelling her motor insurance policy.

background

Miss G insured her car with Hastings and paid the premium by monthly instalments, which were collected by direct debit. There was insufficient money on Miss G's bank account to meet these payments and her bank cancelled the direct debit arrangement.

Hastings says it wrote to Miss G twice in December 2013 to ask her to contact it to make alternative payment arrangements. She says she did not receive those letters. Hastings also says it tried to contact her by telephone on 30 December 2013, but was unable to speak to her. In the absence of any response from Miss G, Hastings cancelled the insurance on 10 January 2014. It wrote to Miss G to tell her this, and she says this was the first she knew that there was a problem.

Miss G considers Hastings acted too quickly in cancelling her policy, and did not make adequate efforts to contact her before doing so.

Our adjudicator did not recommend that the complaint should be upheld. He concluded, in summary, that Hastings had made reasonable efforts to contact Miss G before cancelling the policy.

Miss G did not accept the adjudicator's conclusions. She said, in summary, that Hastings should have done more to speak to her, including leaving a message explaining the urgency of the matter with the person who answered her telephone on 30 December 2013.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I have examined Hastings' records and am satisfied that it did send Miss G a letter on 17 December 2013 asking her to contact it to make alternative payment arrangements for her premium. The correct address is shown on the letter, and I cannot hold Hastings responsible for its non delivery by the postal service.

Miss G says that Hastings did telephone her on 30 December 2013, but someone else answered the call on her behalf and they were not told that Miss G needed to contact Hastings urgently about the unpaid premium. Hastings had simply said that it was about her insurance and it would try again later. In fact it called again within a few minutes, and spoke to the same person, again not leaving a message about the urgency of the matter.

Miss G says that Hastings should have told the person who answered her telephone why it needed to speak to her urgently. However, had Hastings done so I consider that it would have been a breach of Miss G's confidentiality. It is not fair and reasonable to expect Hastings to tell anyone except Miss G that there was a problem with her bank paying her direct debits.

Having failed to speak to Miss G on the telephone, Hastings then sent a final warning letter on the same day. Having checked its records I am again satisfied that the letter was sent by Hastings to the correct address, and that the failure of Miss G to receive it is not Hastings' fault.

I consider that sending two letters and making at least one telephone call was a reasonable effort by Hastings to contact Miss G. The second call was made too soon after the first to have been likely to have resulted in a different outcome, but I view one call as enough.

It follows from this that I do not consider that Hastings failed to give adequate notice that it was cancelling Miss G's insurance policy. As it did not make an error, I find no reason for me to require Hastings to reinstate Miss G's policy on its original terms.

my final decision

For the reasons given above, my final decision is that I do not uphold this complaint against Hastings Insurance Services Limited.

Malcolm Rogers
ombudsman