

## **complaint**

Mr G complains that Hastings Insurance Services Ltd (Hastings) auto-renewed his car insurance policy, after he had told them not to do this, and that they continued to try and collect payment from his bank account for the renewal premium.

## **background**

Mr G took out a car insurance policy with Hastings in April 2018, via an online comparison website. Hastings told Mr G it would renew automatically the following year.

In 2019, Hastings contacted Mr G to remind him the policy was due to 'auto-renew'. Mr G sent an email to Hastings to say he didn't want to renew two weeks before the renewal date. Hastings tried to phone Mr G, but couldn't get hold of him or leave a voicemail message. So they emailed him asking him to call them to complete his request. There was no further contact between Mr G and Hastings. So Hastings auto-renewed his policy. They took his full renewal premium from his bank account.

When Mr G realised this had happened, he contacted his bank and asked it to arrange for the premium to be refunded – which the bank did. However, Hastings continued trying to collect the payment. It wrote to Mr G to say it would cancel the policy if Mr G didn't make payment. Hastings then cancelled the policy and charged Mr G a cancellation fee. Mr G contacted Hastings, and it was eventually agreed the policy would be cancelled from the date of renewal, and Mr G didn't owe anything to Hastings.

Mr G complained Hastings ignored his request not to auto-renew and had no right to take payment from him. And, they had no right to continue trying to take payment from his bank account. Hastings responded, agreeing Mr G had emailed and told them he didn't want to renew. But, because they hadn't been able to speak to him to confirm this was his intention, they felt they'd acted reasonably by processing the renewal, and attempting to claim payment.

Mr G was unhappy with Hastings' response and brought his complaint to us. An investigator reviewed the case and agreed with what Hastings had said. Mr G remained unhappy. As far as he is concerned Mr G thinks he should be paid compensation for the stress he experienced dealing with Hastings. He asked an ombudsman to review his complaint.

## **my provisional decision**

In my provisional decision, I said:

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 begin by looking at the autorenewal letter Hastings sent to Mr G, in April 2019. This says as follows:

“Unless you tell us otherwise, we'll automatically renew your policy...”

Mr G responded a few days later, emailing Hastings as follows:

“Do not renew my policy. I have already instructed you not to do this automatically but you have still sent me an email saying it will be renewed by the same method as last time. I would never take out insurance with Hastings Direct again so do not renew this policy”

Hastings called Mr G, in response, shortly after this but couldn't get through or leave a message. So they sent the following email to Mr G:

“We have attempted to call to discuss this with you but unfortunately have been unsuccessful. To complete this request please contact our call centre on xxx9601 and one of our representatives will be happy to discuss this with you”.

There appear to be no further email exchanges, or phone calls between Mr G and Hastings, and his policy auto-renewed at the beginning of May 2019.

Mr G thinks his above email to Hastings is clear enough about his intentions. And that Hastings should have acted on it. He also says that Hastings' initial communication simply says he must contact them – which he did do using the contact details they hold on file for him. Hastings, on the other hand, say their response email is clear they needed to speak to Mr G to complete his request. I can see merit in both opinions.

I agree Hastings' renewal letter doesn't say how Mr G had to communicate with Hastings – it doesn't say Mr G needs to speak to Hastings. Mr G says that, by emailing his instructions, he was telling Hastings. I can understand why he thinks this.

I also think Hastings' response email could have been clearer – again it doesn't say Mr G must call Hastings to ensure his auto-renewal is cancelled. Or explain why it's important Hastings speak to Mr G. Hastings has told us it's their policy to speak to a policyholder who wants to cancel (or not renew) their insurance, because it allows them to confirm the policyholder's identity. I can understand why Hastings want to do this – it provides reassurance it's actually the policy-holder making the request. And it allows the consequences – the policy won't provide any cover from that point on – to be explained. But, as I've said above, neither communication from Hastings to Mr G clearly sets this out.

On the other hand, Hastings' response email is clear they wanted to speak to Mr G about his email request. And it's clear Hastings tried to contact Mr G, and made it clear they wanted to speak to him to complete the request, which does imply it won't be completed unless he calls them. And, when this email was sent, there was still two weeks before renewal – enough time for Mr G to contact Hastings. And had Mr G phoned Hastings or emailed them again, the events that followed would likely not have occurred.

However, I also think Hastings could have tried to contact Mr G a further time after their earlier attempts were unsuccessful. The wording of Mr G's 'cancellation' email is quite robust – it must have been clear to Hastings of the strength of Mr G's wishes on this matter. In these circumstances, I don't think it's unreasonable to have expected Hastings to make one further attempt to contact Mr G to clarify his wishes.

So, in summary, I accept Mr G contacted Hastings in an acceptable way to begin with. And I think Hastings made it sufficiently clear they had to speak to Mr G to progress his request. And I also think Hastings could reasonably have done more to contact Mr G after their initial failed attempts. Put simply, both Mr G and Hastings could have done more to help prevent his car insurance auto-renewing when it did. But, because it did auto-renew, money was

taken and repeatedly re-requested from Mr G's bank account. This caused Mr G distress and inconvenience which could have been avoided. I think, for the above reasons, Hastings must take some responsibility for the way they dealt with the auto-renewal process, and the stress this ended up causing Mr G. And I think this justifies Hastings paying Mr G some compensation in recognition of this.

I've also looked at the email and letter exchanges between Mr G and Hastings after the policy had renewed. And I can see it wasn't until nearly nine weeks after Mr G's first email that Hastings confirmed the policy was cancelled with no further money due. I can see Mr G sent a number of emails to Hastings complaining about the renewal. And Hastings sent letters to Mr G confirming their intention to cancel the policy if Mr G didn't make payment. They also sent what appear to be conflicting cancellation letters. And Mr G says they regularly texted him advising they were trying to obtain payment. Mr G has also told us he tried to contact Hastings "numerous times" by phone without success after the policy renewed to try and resolve this issue – including not being put through to people and being on hold for 20 minutes before being cut off. Whilst I should add I haven't seen evidence of these calls, I'm persuaded by what Mr G says here. He is consistent on this point, both in what he's told us, and in emails sent to Hastings that I've seen. I'm satisfied Mr G was trying to contact Hastings to deal with this situation.

It seems clear Mr G was having to spend a lot of time and effort dealing with Hastings after the policy renewed. And Mr G has told us he suffered a lot of stress as a result of this. He says the stress caused by the situation impacted on a disability he has, helping to cause time off work. Having read Mr G's comments, I accept the effect the situation had on him. And I think most of this was avoidable had Hastings been clearer in how they communicated with Mr G about the renewal of his policy.

So, for the reasons set out above, I think a fair and reasonable outcome here would be for Hastings to pay Mr G £100 in compensation for the distress and inconvenience he suffered - both for the distress of having money taken from his bank account when he wasn't expecting it and for the trouble he had trying to put things right with Hastings. And I think this amount provides a fair reflection of the distress Mr G experienced.

### **the response to my provisional decision**

Mr G has responded and accepted my above findings. No response has been received from Hastings.

### **my findings**

I've reconsidered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. And, on the basis Mr G accepts my findings, and Hastings have not provided any further information for me to consider, I have nothing further to add to the findings set out in my earlier decision.

### **my final decision**

For the reasons set out above, I uphold Mr G's complaint and require Hastings Insurance Services Limited to pay Mr G £100 as compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 2 January 2019.

Mark Evans  
**ombudsman**