

complaint

Mr K complains that Hastings Insurance Services Limited asked him for information unnecessarily when validating his motor insurance policy. It also wouldn't accept he hadn't been involved in a non-fault accident.

background

Hastings wrote to Mr B in April 2016. It asked him to supply information about mileage, class of use and claims history. It also wanted a copy of his licence and V5 registration document, plus details of his occupation.

Mr K replied three days later giving Hastings all the information – some of which repeated what was on his application form. He said he didn't have the full V5 document, so Hastings could check the DVLA record. Mr K also complained about being asked for the information in a short period over a bank holiday weekend. Hastings said it was entitled to request it and would have given him more time if asked.

On 17 May 2016, five days after Hastings' reply to his complaint, Mr K got four more letters from it. Three of them asked again for details he'd already provided. The letters said his policy may be cancelled if he didn't respond within seven days. One of them asked Mr K to return his Certificate of Insurance immediately. Mr K was alarmed by these letters and found them threatening. Hastings' other letter said Mr K hadn't declared a non-fault accident.

Mr K told Hastings he wasn't involved in the accident it referred to. He'd already told it (twice) about the one incident he'd been involved in during the last five years. Mr K sent another copy of his driving licence to Hastings. He'd already explained he didn't have the V5 form. He said he thought Hastings was harassing him, and he took the threats to cancel seriously. Mr K got a further two letters from Hastings on 2 June 2016. One asked him to contact it and mentioned cancellation again. The other referred to evidence about the non-fault accident. Mr K was given seven days to prove he wasn't involved in it. As he didn't do so, he was charged an extra premium.

Our adjudicator thought Hastings had acted unreasonably. She thought it had written to Mr K without good reason, causing him upset and inconvenience. In her view Hastings hadn't checked properly that Mr K was involved in the non-fault accident. She proposed it should pay him compensation and refund the extra premium he'd paid, with interest.

Hastings asked for a review of the complaint by an ombudsman.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I think the adjudicator made it clear from the outset that we understand the need for policies to be validated. There's nothing unfair about asking for details from consumers. But in this case I can see why Mr K felt harassed. Hastings may have had concerns about Mr K's claims history, but Mr K didn't know that at the time. It wasn't clear why it repeated requests for his driving licence and V5 form. Mr K's letter to Hastings of 21 May 2016 shows he took the cancellation threats very seriously. Since he couldn't understand why Hastings

was acting as it was, he was worried and frustrated. He was also put to further trouble in having to supply again details that Hastings already had.

As far as I can see, there's nothing to show that Mr K was involved in the non-fault accident for which he's been charged an extra premium. He denied knowing anything about it from the outset. Because of that, I think Hastings should have checked the details it had been given by another business. The adjudicator was quickly able to establish that the business in question wasn't sure of the facts. And a further business she was referred to had difficulty finding any record of the incident as well.

Hastings later sent us a copy of the claims and underwriting exchange ("CUE") database. There's no record about Mr K that fits with the incident he's been charged an extra premium for. Hastings doesn't appear to have noted or queried that. It says the CUE record could have been changed or removed. But that would only happen if it was wrong in the first place – and there's no evidence of it.

Overall, I don't think Hastings acted reasonably in the way it validated Mr K's policy or dealt with the non-fault incident. I think a modest sum in compensation would be fair for the trouble and upset that caused. And I think Hastings should pay Mr K the cost of the extra premium he was charged.

my final decision

My final decision is that I uphold this complaint. I require Hastings Insurance Services Limited to do the following:

- Reimburse Mr K the extra premium he paid for the non-fault incident
- Add interest at the simple yearly rate of 8% from the date of payment to the date of settlement
- Pay Mr K £300 compensation

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 15 December 2016.

Susan Ewins
ombudsman