

complaint

Miss L complains that Advantage Insurance Company Limited (trading as Hastings Direct) made a mistake in handling her claim on her motor insurance policy. This led to a County Court Judgement (CCJ) being placed on her credit file. Miss L said because of this she was unable to sell her car.

background

Hastings made an error in handling Miss L's claim. So a CCJ was applied to her credit file. Miss L planned to sell her car and lease a replacement. But she couldn't lease the car because of the CCJ. So she didn't sell her car and said she lost between £3,000 and £4,000 because of this. Hastings offered Miss L £600 compensation for having the CCJ on her file and other issues with the claim.

Our adjudicator didn't recommend that the complaint should be upheld. He thought Hastings' offer of compensation was reasonable. He thought it was Miss L's choice not to sell her car. He didn't have evidence that she was offered £3,000 to £4,000 more than she could now sell the car for.

Miss L replied that she didn't think Hastings had fairly compensated her for the stress caused her by having the CCJ placed on her credit file.

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 can see that Hastings agreed that it made an error that led to the CCJ being placed on Miss L's credit file. But I can see that when it found out about this it acted immediately to correct the mistake and have the CCJ removed. This took about four weeks due to court processes. So I think Hastings reasonably acted to correct its error as soon as it could.

Hastings paid Miss L a total of £600 compensation for its mistakes. This comprised £400 for the CCJ and £200 for delays, lack of updates and call backs. Miss L said she was caused stress and sleepless nights by having the CCJ on her record.

I can understand this, but I think Hastings' compensation was reasonable as it's about what I'd have required it to pay. I also note that it paid this compensation partly as an interim payment and partly as an "advance". This was to Miss L's benefit. I think this was fair and reasonable.

Miss L said the CCJ on her file stopped her from leasing a replacement car. She said that because of this she said she was unable to sell her old car. But I agree with the adjudicator that it was Miss L's decision not to sell her car when she had a buyer. She told us she'd already spent weeks trying to sell the car, so it was unfortunate that she missed that chance. But I don't think this was Hastings fault.

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 Miss L to accept or reject my decision before 21 November 2016.

Phillip Berechree
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