

The complaint

Mr S complains that he received no refund from Adrian Flux Insurance Services Group (“Adrian Flux”) after his policy was cancelled by the insurer.

What happened

Mr S’ policy was cancelled by his insurer. Following this, Adrian Flux, being the broker, carried out calculations to see if there was any refund owing to Mr S. Having made deductions in line with their terms of business, Adrian Flux confirmed a further amount was owed to them. It was then agreed that Adrian Flux would waive this, and a refund was made to Mr S. Following this, Mr S complained as he felt a higher amount should’ve been refunded following the cancellation.

Adrian Flux responded and explained, as Mr S had entered into a credit agreement to pay for his policy and it was cancelled mid-term, any refund issued by the insurer will be offset against any outstanding direct debit payments. They said in this case, the amount Mr S owed exceeded the amount he’d paid, so this left an outstanding balance. Adrian Flux explained, as this hadn’t been paid, an administration fee was added to this because they referred the matter to a debt collection agency. Adrian Flux said, although the cancellation was processed correctly, they agreed to waive the outstanding balance and administration fee as a gesture of goodwill in order to resolve Mr S’ concern.

Following the complaint response, there was further communication between Mr S and Adrian Flux during which it came to light that Mr S had made a payment to the debt collection agency, so Adrian Flux refunded this to Mr S. They also explained, while they hadn’t made any errors, they were keen to reach a resolution. So, as a gesture of goodwill, they offered to waive their commission and refund this amount to Mr S. There was then further communication during which Adrian Flux offered £200 but this was later retracted as Mr S was asking for a higher amount.

Our investigator looked into things for Mr S. She thought Adrian Flux hadn’t acted unfairly when calculating any refund or in retracting their offer. Mr S disagreed so the matter has come to me for a decision.

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.

Having done so, I’ve decided not to uphold the complaint. I understand Mr S will be disappointed by this but I’ll explain why I have made this decision.

I can see Mr S is concerned that, following the cancellation, no refund was due to him. Adrian Flux have provided me with information which shows the refund which was issued by the insurer, and the amount which was owing to the credit provider. Adrian Flux have also provided a detailed breakdown showing all applicable charges. I’ve carefully considered this against Adrian Flux’s terms of business, and I can’t say they’ve made an error or otherwise

acted unreasonably in how they've carried out their calculation and the charges they've applied.

I understand Mr S is unhappy Adrian Flux offered him £200 to resolve his complaint, but later retracted this. I can see from the communication between Mr S and Adrian Flux, they initially offered to waive their commission and send Mr S a refund of £161.07. In the letter they sent to Mr S, they made it clear that, while they hadn't made any errors, they were keen to reach a resolution with Mr S, so this offer was being made as a gesture of goodwill. They also said, "*If this does not resolve your complaint, our offer will be retracted...*" Over the next week, there was further communication in which Mr S asked for £300 to resolve his complaint and Adrian Flux maintained their offer, and then retracted it. Following further communication, Adrian Flux increased their offer to £200 but Mr S replied and asked for £250.

Adrian Flux then responded and explained the offer of £161.07 was to resolve the complaint but Mr S asked for £200, which they agreed to. They said, as Mr S had now increased the amount again, they retract their offer. Mr S then asked for £225 and Adrian Flux responded and referred to their previous email. Mr S then accepts the £200 offer. Adrian Flux then said the offer was retracted but Mr S responded at 5.29pm on a Friday and explained he'd mistakenly typed £250 instead of £200.

Adrian Flux then responded the following Monday and agreed to reinstate the £200 but asked Mr S if this would resolve his complaint. Mr S responded and said the £200 was based on receiving the refund on Friday, and that it was now Monday so he wanted £250. Adrian Flux again maintained their offer of £200 and Mr S then asked for £220. Following further communication in which Mr S said he'd mistakenly typed £220 and accepts the £200, Adrian Flux retracted their offer.

Taking this all into account, I can't say Adrian Flux have acted unfairly here. Adrian Flux did, on a number of occasions, maintain their position that no error had been made by them and the offer being made was as a gesture of goodwill and in order to resolve Mr S' complaint. They did also make it clear on a number of occasions that the offer would be retracted if it wasn't accepted. The information shows there were occasions where, following agreement on £200, Mr S then asked for a higher amount. Given that Adrian Flux had made it clear the offer would be retracted unless accepted, I don't think they've acted unfairly in retracting the offer. I'm further persuaded Adrian Flux haven't acted unfairly as, following their decision to retract the offer of £200, they do reinstate this after Mr S confirmed he'd mistakenly typed £250.

I also acknowledge Mr S' point that he accepted the £200 offer, but this wasn't paid. I can see this email was sent by Mr S at 5.29pm on a Friday and Adrian Flux explain the email was received just as their office was closing so they couldn't respond until the Monday. I've seen the emails and, given the time Mr S' email was sent, I don't think it was unreasonable for Adrian Flux not to have made payment on that day and to respond on the Monday.

I can see Mr S also says he mistakenly typed £220 and feels it's unreasonable Adrian Flux have retracted their offer. I can see Adrian Flux have taken the view that Mr S has continually changed his position, so they were within their rights to retract the offer. They say the payment being offered was not money Mr S was entitled to or should have always received, but a gesture of goodwill. The information shows, after Adrian Flux reinstate the offer of £200 and explain it will be retracted if it's not accepted, Mr S follows this with two emails asking for £220. So, I don't think Adrian Flux have acted unfairly here in deciding to retract the offer. I think it's also important to make the point, I don't think it's fair in the

circumstances for me to direct Adrian Flux to pay this £200 or any compensation as I can't say they've made any errors in their service here.

My final decision

For the reasons I have given, it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 28 March 2024.

Paviter Dhaddy
Ombudsman