

## **The complaint**

A company which I'll refer to as "W" is unhappy Finch Commercial Insurance Brokers Limited directed it to move its commercial vehicle insurance policy to a new broker during the policy year. W says this caused it financial loss and inconvenience.

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead I'll focus on providing the reasons for my 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 agree with the conclusion reached by the investigator that the case should be upheld. I do so for the following reasons:

- While it is clear from the correspondence there was a disagreement between the parties, I have seen no evidence that either was rude to the other. As each party alleges.
- It is clear W indicated it would move its business to a new broker from the next renewal of the policy however it was Finch that asked it to do so as soon as possible.
- While it is for a business to choose who it wishes to deal with, in this instance I think it would have been reasonable for Finch to have explored other ways of communicating with W in the first instance or whether there was another way in which its account could be managed. It has also not explained why it didn't just let the policies run until renewal, as generally unless there is a claim, limited interaction is required between the parties during the year.
- By taking the action it did, Finch put W in a situation where in order to move its business to a new broker and have no further dealings with Finch, it had to cancel its existing insurance policy and take out a new one. W has said that it could not find a new broker that would take on the administration of an existing policy as Finch had suggested may be the case.
- I don't think the action Finch took was reasonable in the circumstances and as such it caused W financial loss. It incurred cancellation charges and inconvenience as it had to arrange new policies. I think therefore Finch should refund those charges and pay compensation to W.
- In addition, it appears the proportional refund from the insurer was unexplainably delayed in being credited to W. Finch has confirmed it received the payment on 24 January, but W did not receive this until 21 February. Given it normally takes around a week for a payment to be arranged and credited, I think Finch should pay interest

on this amount from 31 January to 20 February.

For the reasons above, I uphold this complaint.

### **Putting things right**

To put things right Finch should do the following:

- Make a payment to W equivalent to the £7.50 cancellation fee applied by the insurer
- Refund the £50 cancellation fee charged by Finch
- Pay 8% simple interest per annum on the £421.23 already refunded, calculated from 31 January 2022 to 20 February 2022.
- Pay W £100 compensation for the inconvenience caused
- Provide a breakdown of the amounts referenced above to W showing they are included within the payment made

### **My final decision**

My final decision is that I uphold W's complaint against Finch Commercial Insurance Brokers Limited. I direct it to put matters right as I have set out in the section above.

Under the rules of the Financial Ombudsman Service, I'm required to ask W to accept or reject my decision before 15 December 2022.

Alison Gore  
**Ombudsman**