

The complaint

Mr H complains that Admiral Insurance (Gibraltar) Limited didn't send his refund for his motor insurance policy to the correct account.

What happened

Mr H was due a pro-rata refund of premium when he made a change to his policy. Admiral said it sent this to the card previously used to make payments on the policy. But Mr H said he didn't receive this as that account had been closed. He said he'd given the details of his new account to Admiral. Admiral said the money hadn't bounced back.

Our Investigator didn't recommend that the complaint should be upheld. She thought there wasn't any evidence to show that Mr H had told Admiral that his account had changed or that the old account had been closed. She thought Admiral had shown that the payment had been made and it hadn't received any notification of a bounced back payment. She thought Mr H should take this up with his bank.

Mr H replied that he'd notified Admiral of the change in his bank details online and that it had used it since. He said his old account was inactive and he provided a statement to show that it had been closed. And he said his bank had told him it didn't have his money.

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.

I can understand that Mr H feels frustrated that he hasn't received the premium refund after he made a change to his policy. He said that this was causing him financial difficulties, and I was sorry to hear this. Our approach in cases like this is to consider whether the insurer's acted in line with the terms and conditions of the policy and fairly and reasonably.

Admiral said Mr H was due a refund of premium of £183.45 and it made this payment to the card most used for the policy, in keeping with its procedures. I can see that this payment was made to Mr H's old account. Admiral said this was a requirement to prevent money laundering and fraud.

Mr H's policy states on page 24:

"If you are due a refund, we will credit the bank account or card used to pay for most of the policy premium."

I can see that Admiral issued the refund to the card used to make most of the payments for the policy, in keeping with the Payment Card Industry guidelines. It also advised Mr H what to do if this account was closed. So I think that's in keeping with the policy's terms and conditions and fair and reasonable.

Mr H said he didn't receive this payment and he has provided a bank statement to show that the account was closed before Admiral made the refund. Admiral advised Mr H not to contact his bank about the missing refund, but to speak to the card provider. But Mr H thought the refund would have bounced back to Admiral.

I've seen Admiral's contact notes and I can't see that Mr H notified it of a change in his card details before the refund was made. And I can't see that Admiral received a bounced back payment from the card provider. And so I have no evidence to show that Admiral has done anything wrong.

Mr H said he has contacted his bank several times and it hasn't received the refund. But I can't see that Mr H has contacted his card provider about the credit to his card, as advised by Admiral. It told him to do this in two calls, but Mr H said he was unable to get in contact with the card provider. Although I can understand the inconvenience, this may be a better line of enquiry for Mr H to locate the missing funds.

My final decision

For the reasons given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 18 March 2024.

Phillip Berechree
Ombudsman