

The complaint

Mr O is unhappy Adrian Flux Insurance Services Group sold him a motor insurance policy in error.

What happened

Adrian Flux sold Mr O a motor insurance policy, and he paid the premium in full. However, the following day he was told the policy had been offered in error and would therefore be cancelled in seven days. To try and minimise the impact of their mistake, Adrian Flux offered Mr O a quote for a different policy, but he declined it and found an alternative elsewhere. Once the policy ended a full refund was provided despite the time on risk.

Mr O then made a complaint and said Adrian Flux should put things right by paying him the difference in cost between the cancelled policy, and the more expensive replacement he sourced independently. Adrian Flux didn't agree to this request as they didn't think it was appropriate. They were sorry for what happened, but concluded they'd already done enough to try and put Mr O back in the position he would have been in had the error not occurred.

An investigator at this service then considered the complaint and agreed with Adrian Flux's outcome. Mr O didn't accept the investigator's opinion as he still felt it wasn't fair his replacement policy was more expensive. He also said he may have purchased a different car if he'd known the policy would be cancelled. As Mr O didn't provide any additional evidence to support his position, the investigator said his opinion remained the same.

So, I've considered the complaint afresh.

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 don't uphold this complaint and I'll explain why.

- Adrian Flux have provided screen shots that show Mr O's insurance policy was offered to him in error due to an unfortunate system issue. They've also confirmed they were responsible for the problem, and there were no alternative matching quotes they could offer Mr O. So, I'm satisfied they acted reasonably by informing him the policy would need to be cancelled and offering him the best alternative quote they had available.
- It's understandable Mr O is unhappy his policy was cancelled, and he couldn't replace it for a similar price. However, when a mistake happens, I expect a firm to try and put their customer back in the position they would have been in had the error not occurred. I don't expect them to try and make their mistake true. Mr O needed insurance for his car, and the cancelled policy should never have been offered to him, so it follows that he would always have needed to take out a more expensive policy. This means, it wouldn't be fair to expect Adrian Flux to pay the difference in

cost between the two policies. I would reasonably expect them to offer an alternative quote and try to minimise Mr O's inconvenience, but I'm satisfied they did that here as part of their swift response.

- Mr O has said he may have purchased a different car if he'd known his insurance would have been more expensive. However, I've not seen any evidence which suggests he received details of the cancelled policy before he purchased his car, or that he was considering other vehicles. In any event, the cost of insurance is usually only one of many factors that are taken into consideration when making a car purchase. So, I don't find this argument persuasive.
- I'm satisfied Adrian Flux acted reasonably in their attempts to minimise the impact of their error and tried to put things right. This included notifying Mr O of the issue promptly the following day, apologising, and offering him their best alternative quote. Mr O wasn't prevented from driving his car as he had seven days to find an alternative policy and he was granted a full refund despite the time on risk. So, while I appreciate the disappointment and frustration Mr O experienced as a result of this issue, I see no grounds for directing Adrian Flux to do anything more.

My final decision

My final decision is I don't uphold this complaint.

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

Claire Greene
Ombudsman