

## **The complaint**

Mr C complains about how Co-op Funeral Plans Limited handled the cancellation of his pre-paid funeral plan and the time it took for him to receive a refund.

## **What happened**

Mr C held a pre-paid funeral plan with Co-op. On 24 May 2025, he submitted a request through Co-op's online portal to cancel his plan. The request couldn't be completed because the plan number entered didn't match an existing plan. Co-op didn't contact Mr C to explain there was a problem with the request or help him complete the cancellation.

On 28 May 2025, Mr C called Co-op to confirm the cancellation. Co-op informed him that his online request hadn't been actioned, so it processed the cancellation at that point. When Mr C hadn't received his refund, he chased Co-op on 6 June 2025, and a complaint was logged. The refund reached Mr C's bank account 17 days after his initial request.

Co-op accepted that it should have contacted Mr C when his online request couldn't be processed. It apologised for this. It explained that Mr C's plan funds were held in a whole-of-life insurance policy and had to be released before being returned to him, which can take time. Co-op said the refund had been issued within the timescale allowed by the rules and didn't agree that compensation was due.

Mr C referred his complaint to our Service. Our Investigator agreed that Co-op should've contacted Mr C when it couldn't process his request but didn't think that Co-op had breached the relevant rules on issuing refunds or acted unreasonably overall. As the refund was made within 30 days, he didn't think compensation was fair, and thought that Co-op's apology was sufficient.

Mr C didn't agree. In summary, he said that Co-op had to issue his refund within 14 days, that our Investigator had relied on the wrong regulatory framework, and hadn't properly considered the regulator's Consumer Duty and other industry guidance. He also said Co-op failed to apologise or pay compensation.

As Mr C remained unhappy, the matter was passed to me to make a final 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.

I've decided not to uphold the complaint. I've explained why below. I've focused my comments on what I find most relevant. If I haven't commented on a specific point or piece of evidence, it's not because I haven't thought about it. Rather, it doesn't change what I consider to be the right outcome.

The central issue is whether Co-op acted fairly and reasonably in handling Mr C's refund.

I'm satisfied that the relevant industry rules require funeral plan providers like Co-op to return funds without undue delay and in any event within 30 days of receiving a cancellation request (FPCOBS 13.3.2).

So, I've thought about whether the refund was completed within 30 days and whether the overall timescale and handling were reasonable in the circumstances.

Mr C's refund was received 17 days after his initial request. While there was a short delay because the plan number he'd provided didn't match an existing plan and Co-op didn't follow up to resolve this, the matter was resolved when Mr C phoned Co-op four days later. Co-op then processed the refund as I'd expect, well within the maximum time allowed by the regulator. In the circumstances, I don't consider the overall timeframe to be unreasonable.

Mr C has referred to the FCA's Consumer Duty and its published guidance on vulnerable customers. I've taken this into account, but I'm not persuaded it changes the outcome here. The guidance he relies on doesn't impose a shorter refund timescale for funeral plans, and I'm not persuaded that Co-op issuing the refund within the regulator's permitted timeframe amounted to a breach of the Consumer Duty.

I've considered Mr C's concerns about financial vulnerability. I appreciate he found the situation stressful and frustrating, and access to the funds was important to him. Our Service recognises that dealing with financial businesses won't always be hassle-free, and problems can sometimes arise. I don't consider that the impact, in the context of the timescales and rules involved, justifies an award of financial compensation in the circumstances.

Co-op has accepted it should have contacted Mr C when it couldn't process his request. It's apologised for that and said that it's provided feedback internally. Given the limited nature of the failing, and the overall timescales involved, I consider that this was a reasonable and proportionate response to the complaint.

While I'm sorry to disappoint Mr C, I don't think Co-op has acted unfairly or unreasonably overall. So, I don't require Co-op to do anything further in respect of this complaint.

### **My final decision**

I do not uphold Mr C's complaint about Co-op Funeral Plans Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 12 February 2026.

Chris Woolaway

**Ombudsman**