



## **The complaint**

Mr G and Mrs G have complained about the service they received from Quilter Mortgage Planning Limited when setting up a term insurance policy.

Mr G and Mrs G's complaint is in fact about a firm of independent financial advisers, I'll call 'A'. But as A are appointed representatives of Quilter, Quilter have accepted responsibility for the complaint.

## **What happened**

The background to this complaint is well known to both parties, so I won't repeat it in detail here. In summary A arranged term insurance for Mr and Mrs G – but in error they set up an incorrect policy, that was slightly more expensive. Mr and Mrs G were charged for both policies for three months.

In trying to sort the matter out Mrs G said that the operators were rude on the phone.

Our investigator recommended that Quilter return £119.94, a sum equivalent to the premium for the incorrect policy until cancelled, and £150 for the poor service received.

Mr and Mrs G agreed with the recommendation, but Quilter didn't. It acknowledged that there had been a mistake but felt that the adviser had acted quickly to ensure it was corrected. It said that the adviser couldn't cancel the direct debit but sent a message advising Mrs G to cancel which she acknowledged. Quilter felt that it was reasonable to assume Mrs G had no issues and cancelled the direct debit as instructed.

Quilter also strongly disagreed with Mrs G's recollection of her calls. It said that this wasn't noted in her original complaint and disagreed with her comments.

As no agreement has been reached the matter has been passed to me to decide.

## **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'm aware I've summarised the background to this complaint. No discourtesy is intended by this. Instead, I've focused on what I find are the key issues here. Our rules allow me to take this approach. It simply reflects the informal nature of our service as a free alternative to the courts. If there's something I haven't mentioned, it isn't because I've ignored it. I've reviewed the complete file and having done so I agree with the conclusion reached by our investigator. I'll explain why:

- The relevant regulations provide that a financial firm must conduct its business with due skill, care and diligence. It must pay due regard to the interests of its customers and treat them fairly. I've carefully considered the circumstances here to see if Quilter applied these principles in the present case.

- It is agreed that A made an error and set up the wrong policy. I acknowledge that the adviser sent a message to Mrs G advising her to cancel the direct debit. So I do understand why Quilter has challenged the investigator's recommendation. But when Mrs G received the documentation showing the correct amount she thought the issue was sorted. She hadn't noticed the incorrect direct debit. I find that the error here was on the part of the adviser for setting up the wrong policy, not Mrs G for not cancelling her direct debit.
- I find that the adviser should have explained to Mrs G what the issue was and why he was telling her to cancel the direct debit – but he didn't do that. The adviser was unable to cancel the direct debit himself, but again he needed to explain to Mr and Mrs G how the error had arisen and specifically what was needed to be done to remedy it and why.
- Had a clear instruction been given as to what Mrs G should do, I'm satisfied she would have followed that instruction. I'm not persuaded that the what's app message was sufficient. I acknowledge that whilst the policy was in force it would have responded to a claim, but the policy wasn't required and set up in error. It follows that I don't find that Mr and Mrs G should have needed to pay for it. I find that Quilter should refund Mr and Mrs G a sum equivalent to that paid in premiums for the incorrect policy. This sum is £119.94.
- I find that it came as an unpleasant surprise to Mr and Mrs G when they discovered that a policy had been set up in error. Mrs G called the provider to elicit this information and then had two calls with A to try and sort the matter out. Mrs G's testimony is that she was made to feel very badly for raising the matter with A. It is unfortunate that the calls aren't available, and I've seen no other evidence such as recollections from the agents or call transcripts to challenge her account. In any event I find Mrs G's testimony to be credible.
- Mrs G has said that the situation was terribly stressful, and I have no reason to doubt that she found it that way. This arose from a simple mistake, but it wasn't explained to Mr and Mrs G and ultimately caused distress and inconvenience. I find that compensation is merited for the service she received overall. I'm satisfied that £150 is fair in all the circumstances.

### **My final decision**

My final decision is that I uphold this complaint. I require Quilter Mortgage Planning Limited to:

- Pay Mr and Mrs G £119.94
- Pay 8% simple interest on this amount from the dates the payments were taken – February, March and April 2023 until settlement.
- Pay Mr and Mrs G £150 in compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G and Mrs G to accept or reject my decision before 26 April 2024.

Lindsey Woloski  
**Ombudsman**