

The complaint

Mr and Mrs D complain that Adrian Flux Insurance Services Group (Adrian Flux) mis sold them a buildings insurance policy. While the complaint is in joint names it's mainly been Mrs D corresponding on the case so for ease, I'll mainly refer to Mrs D throughout this decision.

What happened

The background of this complaint is known in detail to the parties involved, so I've summarised what I've found to be the key points.

- Mrs and Mrs D took out a buildings insurance policy through Adrian Flux (a broker) to cover a property they were purchasing.
- Mrs D declared to Adrian Flux that the property in question had historic issues of subsidence and flooding and so she was approaching it as she's heard it may be able to help with cover for a non-standard risk property.
- Adrian Flux referred the details Mrs D provided to its panel of underwriters to obtain a quotation which came back at a cost of £3,519.23. Mrs D accepted this quote and cover commenced on the agreed date.
- When the policy came up for renewal the following year, Mrs D shopped around for alternative cover and says she found a cheaper price with another provider based on the same information she'd provided to Adrian Flux the previous year.
- As a result, Mrs D complained to Adrian Flux that it had mis sold her policy to her as the premium was more expensive than it should've been. To put things right, she asked it to refund the difference between the premium she'd paid it and the new premium she'd found elsewhere.
- Adrian Flux didn't uphold Mrs D's complaint. It said that as a broker it could only offer the premiums that are provided to it by the underwriters it uses and therefore it may be possible for customers to obtain cheaper policies elsewhere.
- Adrian Flux also said that it works on a non-advised basis and that it was Mrs D's responsibility to ensure that any policy she purchased was suitable. It was satisfied it had acted correctly and said that as cover was provided for the property for the full policy term, it wouldn't reimburse any premiums.
- Mrs D complained to this Service. Our Investigator didn't find any shortfalls in Adrian Flux's selling of the policy and so she didn't uphold the complaint. Mrs D disagreed, so the complaint 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 can assure the parties that I've read and considered all the information provided in reaching my decision. But in line with my informal role in deciding what a fair and reasonable outcome is, my findings will be summarised to focus on what is relevant to the crux of the complaint.

Mrs D chose to purchase a buildings insurance policy through Adrian Flux – a broker. An insurance broker is a type of intermediary which means it doesn't provide the insurance or pay claims from its own funds, nor does it decide the policy premiums – that's the role of the insurer.

Instead, an insurance intermediary essentially acts as a link between the consumer and the insurer – gathering information about the consumer and what they want to insure and approaching the insurers it deals with to see whether they will offer cover, at what cost and on which terms.

The policy was sold on a non-advised basis, meaning Adrian Flux wasn't recommending the policy but simply providing information about it to Mrs D for her to make an informed choice on cover. The duty on Adrian Flux here was to ensure it gave Mrs D enough information that was clear, fair and not misleading so that she could do this.

From what I've seen in this case, Mrs D isn't complaining about the policy cover, or the details Adrian Flux submitted to its panel of insurers on her behalf to obtain a quotation. But rather that the policy premium was more expensive than it should've been.

Mrs D appears to have reached this conclusion on the basis that during proposed renewal of her policy she took out through Adrian Flux, she shopped around and found significantly cheaper cover elsewhere with a different provider. This has led her to conclude that Adrian Flux should've been able to find her cheaper cover.

But from what I've seen, Adrian Flux followed the process I'd expect and submitted Mrs D's details to its panel of insurers, providing her with the quote for cover that was available to it. Another broker may well have been able to find Mrs D cheaper cover but it's not Adrian Flux's responsibility to identify this. It only has access to the policies available from its panel of insurers and that's what it offered to Mrs D which is fair.

With regards to the policy premium, I'm satisfied Adrian Flux's presentation of this to Mrs D was clear. And upon hearing the premium amount Mrs D said it was "*absolutely fine*" as well as remarking that she wasn't surprised as she had other properties with insurance premiums of a similar cost, and that she "*actually thought it was going to be more*". I'm aware Mrs D has since said this was meant sarcastically, but I'm not persuaded that comes across on the call and so I can't see that Adrian Flux did anything wrong by progressing with the sale of the policy after Mrs D told it she wanted to go ahead with the cover.

With all that in mind and based on the available information in this case, I can't see that Adrian Flux has acted unfairly or incorrectly in its handling of the sale of Mr and Mrs D's buildings insurance policy. Therefore, I don't uphold this complaint and won't be directing Adrian Flux to do anything further.

I've considered all of Mrs D's comments including her point that she was under time pressures so didn't have the chance to shop around and therefore, she accepted Adrian Flux's quote for cover albeit knowing it was too expensive. While I understand Mrs D had certain time constraints, ultimately it was her choice not to shop around for alternative quotes to what Adrian Flux had offered. The fact she didn't do this isn't Adrian Flux's fault, so I can't hold it responsible for the impact she says had on her and these points don't change my conclusion.

My final decision

For the reasons set out 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 D and Mrs D to accept or reject my decision before 3 April 2024.

Rosie Osuji
Ombudsman