

The complaint

Mr M has complained that Monument Life Insurance Dac has cancelled his payment protection insurance (PPI) policy.

What happened

Monument wrote to Mr M in March 2023 informing him that the policy would be cancelled in June 2023.

Our investigator didn't uphold the complaint because Monument had made a business decision to withdraw this policy and had provided Mr M with sufficient notice of the cancellation, in line with the policy terms and conditions.

Mr M disagrees with the investigator's opinion and so the complaint has been passed to me for a 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.

Mr M has recently made reference to the new consumer duty on financial businesses that came into effect on 31 July 2023. But that duty is not retrospective and doesn't apply to complaints about events that happened before that, so it is not a relevant consideration in this case. However, when considering what is fair and reasonable, I am taking into account relevant law, regulation and guidance.

Monument stopped making the policy available to new customers in 2012 and so it was only held by existing customers who had taken it out before then and who had continued to renew it on an annual basis. Monument has now taken the decision to withdraw this product altogether.

Monument is entitled to take a view on whether it wishes to continue to offer certain products and this service would not normally involve itself in the commercial decisions of a business in deciding to offer or withdraw particular products. I'm only looking at whether Monument has acted fairly and reasonably in the way that it has undertaken the cancellation.

Under the terms of the policy, it states that Monument must give 90 days' advance notice of the termination of the policy. Based on the available evidence, I'm satisfied that it did this. Mr M has a long-term chronic medical condition which he says puts him in the position of being unable to find replacement cover or cover at a reasonable cost. He says he would either like the cover to be reinstated or for all the premiums he's paid to be reimbursed.

Monument has withdrawn the policy and applied the cancellation across all of its remaining customers, so it wouldn't be in a position to reinstate it for Mr M. And Mr M was covered by the policy, subject to the prevailing policy terms, until the policy was cancelled in June 2023. So, it's reasonable that he should pay for that period of cover.

I do have sympathy for Mr M's situation and understand why he is concerned about the policy being cancelled. But Monument hasn't singled him out. It has cancelled the policies of all the remaining policyholders, in accordance with the terms and conditions. I appreciate the impact for Mr M could potentially be greater than for others. However, as it has applied the withdrawal across all of its customers, I'm unable to conclude that it has treated him unfairly.

My final decision

For the reasons set out above, I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 6 December 2023.

Carole Clark

Ombudsman