

The complaint

Ms M has complained that Bank of Scotland plc trading as Halifax mis-sold her life insurance.

For simplicity I will refer to 'Halifax' rather than Bank of Scotland plc trading as Halifax.

What happened

The background to this complaint is well known to both parties so I won't repeat it again here in detail. In summary Ms M took out a level life cover plan with Halifax in 2009 to end on her 65th birthday. She has said she has been treated for her mental health for many years and that when she understood the plan she'd had it for some time. She feels she paid into a plan that had no benefit because it ended too soon.

Our investigator didn't find that Halifax had done anything wrong. Ms M appealed.

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 agree with the conclusions reached by the investigator for these reasons:

- Ms M met with an adviser in February 2009. He recorded that she wanted to leave a financial legacy for her two children in the event that she died before she retired from work. She wanted cover for 14 years and had a monthly budget of £10. The adviser considered Ms M's demands and needs and recommended Ms M paid £10 a month into a level life cover plan. The adviser had to take reasonable care to ensure the suitability of his advice to Ms M, who was entitled to rely on his judgment. I don't find that the adviser failed in his duty or that the plan was unsuitable for Ms M, it matched her requirements.
- I'm sorry to note that Ms M has problems with her mental health. However in response to a questions asked by the adviser she replied that she didn't have any relevant health or disability issues. It follows that this wasn't something the adviser could have taken into consideration.
- Ms M was given an illustration and sent a policy booklet and financial report. The illustration and financial report both clearly showed the term of the plan was 14 years. I'm satisfied that Ms M could make an informed decision about the arrangements proposed. She did have the option to change her mind within 30 days of taking out the plan – and this was highlighted in the financial report.
- I haven't disregarded Ms M's testimony that she didn't realise the plan would end when it did, and that it had no benefit because it ended too early. But in all the circumstances I don't find that Halifax mis-led or mis-sold the policy to Ms M. Should she have passed away during the term of the plan it would have paid the guaranteed

benefit. Halifax has been on risk for the term of the plan which has now come to an end. This being so there is no basis for me to require Halifax to return any amount of the premiums paid or to use those premiums to set up a new plan.

- I recognise that Ms M will be disappointed by my decision but in all the circumstances I don't find that Bank of Scotland plc trading as Halifax did anything wrong. I'm sorry that this decision doesn't bring Ms M more welcome news.

My final decision

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

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

Lindsey Woloski
Ombudsman