

The complaint

Ms S complains as she says that Lifetime Protection Services Ltd trading as Bon Accord Life mis-sold her an unemployment insurance policy. I'll refer to Lifetime Protection Services Ltd as LPSL.

What happened

Ms S took out an unemployment insurance policy. She claimed on the policy in 2023 but was unhappy as it wouldn't pay out as quickly as she expected. Ms S is unhappy because she says the implications of payment in lieu of notice and the deferred period weren't properly explained to her during the sale. And she's also explained she's having to pay premiums during the time the policy isn't paying out.

LPSL looked into what had happened and didn't uphold the complaint. They said the options had been fairly presented to Ms S during the sale and she'd been provided with the relevant policy documentation, including a key features document. Ms S complained to the Financial Ombudsman Service.

Our investigator looked into what happened and didn't uphold Ms S's complaint. He didn't think the policy had been mis-sold as he thought LPSL had explained the key information about how the policy worked.

Ms S didn't agree and asked an ombudsman to review her complaint. She said she sometimes found it hard to process information and that some of the key facts hadn't been explained to her. So, I need to make 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.

LPSL didn't give Ms S advice about the policy. So, in line with the relevant rules and industry guidelines, they needed to ensure she had enough information to decide if the policy was right for her. That included giving her clear, fair and non-misleading information about the main features of the policy. They didn't need to make sure the policy was right for her as they weren't giving her advice.

I'm not upholding Ms S's complaint because:

- I'm satisfied Ms S was given enough information to decide if the policy was right for her during the call. Ms S had a discussion with LPSL about the deferred period and I think it was made adequately clear to her that she wouldn't receive payment during this time.
- The terms which impacted on Ms S's claim are common – similar terms appear in lots of income protection policies.

- Ms S did ask about the impact of statutory redundancy. But I don't think Ms S clearly explained that she was asking about the impact of payment in lieu of notice or identified that as a feature of the policy which was particularly important to her.
- Ms S is having to pay premiums during the time that she's claiming. That's not unusual and lots of policies require premiums to be paid whilst a claim is ongoing. Some policies offer a 'premium waiver', which usually is at an additional cost. But Ms S didn't suggest to LPSL that this was a feature of cover which was particularly important to her. And, as I've outlined above, they weren't providing her with advice about the suitability of the policy for her.
- Ms S didn't let LPSL know that she found it difficult to process information, so they didn't have the opportunity to address this during the call.
- Even if I accepted that LPSL didn't give clear, fair and non-misleading information during the call I still don't think it would be fair and reasonable to uphold this complaint. I say that because I can see that Ms S was provided with information by LPSL which says she'd receive more information from the insurer about the policy benefits and exclusions following the sale. This would provide her with access to the full policy documentation which explained more about how the policy worked.
- Ms S says she didn't receive the full policy documentation or details about how to access it. However, I think it would have been reasonable for Ms S to follow this up with the insurer or LPSL if she didn't receive it. The follow up email from LPSL directed Ms S to check the information carefully as they weren't providing advice about the policy. I can't fairly conclude LPSL did something wrong here.
- I also note that that LPSL mentioned there was a cooling off period during the call. This refers to a period of time in which Ms S could ask further questions or cancel if she wasn't happy with the level of cover offered. I think Ms S was therefore aware that there was an opportunity to cancel the policy if it wasn't right for her. The policy also renewed prior to Ms S's claim, and she kept the cover in place which further suggests she was happy with the level of cover she had.

My final decision

I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 15 November 2023.

Anna Wilshaw
Ombudsman