

The complaint

Mr and Mrs W have complained that Monument Life Insurance Dac has cancelled their mortgage payment protection insurance (PPI) policy that provided cover for accident, sickness and unemployment.

What happened

Monument wrote to them in March 2023 informing them that the policy would be cancelled in June 2023.

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

Mr and Mrs W disagree with the adjudicator'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.

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 30 days' advance notice of the termination of the policy. Based on the available evidence, I'm satisfied that it did this.

The cancellation is particularly problematic for Mr W because he became ill in 2018 with a medical condition that would now be classed as pre-existing and therefore most likely not covered under any new policy that he might buy. Mr and Mrs W are understandably concerned because the mortgage still has 10 years to run.

Mr and Mrs W say that, if they had known in 2012 that Monument had decided not to sell any new policies and were planning to subsequently cancel it, they would have sought out an alternative provider at that time.

Firstly, the available evidence is that the only decision Monument made in 2012 was to stop offering PPI to new customers. Secondly, if Mr and Mrs W had known at that time that the policy was no longer being sold but that Monument's plan was to maintain and manage all

existing policies, I'm not persuaded they would have given any serious consideration to changing provider. Because they wouldn't have predicted that Mr W would begin experiencing health problems in 2018. Also, there would be no guarantee that an alternative provider wouldn't close its policies further down the line.

I can understand why Mr and Mrs W would think of the PPI as a life-long policy. But it wasn't sold as that and was annually renewable.

I do understand the anxiety that Mr and Mrs W are feeling and have a great deal of sympathy for their situation. But Monument hasn't singled them out. It has cancelled the policies of all the remaining policyholders, in accordance with the terms and conditions. I appreciate the impact for Mr and Mrs W may potentially be greater than for others. However, as it applied the withdrawal across all of its customers, I'm unable to conclude that it has treated them 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 Mrs W and Mr W to accept or reject my decision before 12 October 2023.

Carole Clark

Ombudsman