

The complaint

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

What happened

Monument wrote to Mr B in March 2023 informing him that the policy would be cancelled on 30 June 2023.

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

Mr H disagrees 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 90 days' advance notice of the termination of the policy. Based on the available evidence, I'm satisfied that it did this. By giving 90 days' notice, Mr H was given the opportunity to source another policy so that there would be no gap in cover if that's what he wanted.

Mr H says that, when he took the policy out in 2009, he believed that it would provide cover for the full term of his mortgage. He says that, had he known that this wouldn't be the case, he would have looked elsewhere for a company that would stick to its commitment.

The available evidence is that the only decision Monument made in 2012 was to stop offering the policy to new customers. And Mr H continued to be covered by the policy from 2012 until it was cancelled in June 2023 – so it's only right that he needed to pay for that cover. So, a refund of premiums wouldn't be appropriate. It could also not be guaranteed that any alternative provider that Mr B might have moved to also wouldn't decide to withdraw cover somewhere further down the line.

I can understand why Mr H would think of the PPI as something that would cover his entire mortgage term. But I can't see that there was ever any promise of that – the terms of the policy are clear that Monument can cancel it with sufficient written notice – and the policy was annually renewable.

Monument hasn't singled Mr H out. It has cancelled the policies of all the remaining policyholders, in accordance with the terms and conditions. As it 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 H to accept or reject my decision before 23 November 2023.

Carole Clark

Ombudsman