DRN-4332754

The complaint

Miss M complains about St Andrew's Insurance Plc, referred to as *"St Andrews"* or *"the business"*.

In short, she is unhappy about the pay-out she received in response to a claim.

What happened

One of our investigators considered the complaint but didn't think it should be upheld. In summary, he said:

- In October 2002, Miss M was advised to take out a level term assurance (LTA) policy with Critical Insurance Cover (CIC) referred to as the "2002 policy" – by a third party business – with a £46,000 sum assured, and £46,000 worth of CIC, due to expire in October 2027.
- The key policy documentation made clear the following:
    - *"We will make one payment of either Life Cover benefit or Critical Illness benefit included in this policy. Once we have made a payment of either Life Cover benefit or Critical Illness benefit, all Life Cover and Critical Illness Cover included in this plan will end".*
    - Because the CIC claim value of £46,000 has already been paid, no further claim will be considered under this policy.
- In December 2007 a decreasing term assurance (DTA) policy with CIC – referred to as "the 2007 policy" – was set up. The nature and operation of the policy was made clear in the key policy documentation:
    - *"Your plan is a decreasing term assurance and so your life cover benefit and or/critical illness benefit will reduce each plan year throughout the term"*
- Whilst Miss M says that she didn't receive any policy documentation regarding the 2007 policy – so wasn't aware that it was arranged on a decreasing cover basis – she ought to have queried this when the policy started.
- Any concerns she has regarding the medical report being sent to St Andrews she should take up with her doctor. This isn't something that she can blame the business for.
- St Andrews hasn't done anything wrong by making the payment that it has.

Miss M disagreed with the investigator's view and asked for an ombudsman's decision. In summary, she made the following key points:

- Having viewed the documentation provided by the investigator, she still doesn't agree.
- The original document – titled Total Mortgage Protection Plan (TMPP) conditions April 2002, referred to as the 2002 TMPP document – is different to the one referred to by the investigator.
- She's not convinced that her submissions have been considered by the investigator.
- At no point in 2022 did she contact the TMPP administration. She spoke to a mortgage adviser over the telephone, in relation to changing the mortgage from

variable rate to a fixed rate. Her queries were dealt with, and matters went no further.

- She didn't contact St Andrews until January 2023, which was about the "£69,000 insurance policy" and her "original" policy taken out in 2002.
- In August 2023 she received the letter dated October 2002 (via the investigator) – it was the first time she saw it, and the amended version of the policy. It contains inconsistent information including inaccurate calculations.
- St Andrews has fabricated information to convince our service that it didn't do anything wrong.
- The following disclaimer wasn't in the original document:
    - *" We will make one payment of either Life Cover benefit or Critical Illness benefit included in this policy. Once we have made a payment of either Life Cover benefit or Critical Illness benefit, all Life Cover and Critical Illness Cover included in this plan will end. Please refer to 'Your Plan Summary' above which outlines your current cover and benefits."*
    - The original document from 2002 doesn't contain that statement.
- The investigator mentions the Illustration document from August 2002 but not the original policy document dated September 2002.
- The documentation provided by her, including documents dated September and October 2002 – make clear that the October document isn't genuine – the style and font is all different – and for that reason she won't accept it.
- She also never received the 2007 policy booklet. But when she made the mortgage enquiry in April 2002, she was told that she had a second policy worth £69,000.
- She doesn't understand why the 2007 policy was taken out – there'll be evidence, including written and audio that'll clarify what happened.
- Despite what the investigator says, she didn't have an issue with her GP. It's clear that the investigator is biased. St Andrews is trying to mask the fact that it has consistently played dirty by *"shrinking the authorised medical consent form, which prevents my GP from forwarding my medical records, until I viewed them".*
- The investigator held her liable for not receiving the booklet, and not commenting on whether the policy was decreasing. How could she disagree with something she was unaware of? The bank only started taking money for the policy in 2011, and not in 2007.
- The investigator has chosen to prefer St Andrew's evidence. By not refereeing to the evidence submitted by her the investigator has caused her distress which has impacted upon her impairment/disability.
- If he'd considered the documents referred to, he would've mentioned them.
- She might be undergoing medical treatment once the case has been allocated to an ombudsman, so she'd appreciate patience.

The investigator having considered the additional points wasn't persuaded to change his mind.

As no agreement has been reached the matter has been passed to me for review.

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 investigator's conclusion for much the same reasons. I'm not going to uphold this complaint.

On the face of the evidence, and on balance, despite what Miss M says, I can't safely say that St Andrews has done anything wrong by not paying the life cover sum assured in

response to a successful claim already made (and paid) under the CIC element of the 2002 policy.

But before I explain further why this is the case, I think it's important for me to note I very much recognise Miss M's strength of feeling about this matter. I'm also very sorry for recent health challenges she is facing and the recent loss she's suffered. I appreciate this must be a difficult time for her.

Miss M has provided detailed submissions to support the complaint, which I've read and considered carefully. However, I hope she won't take the fact my findings focus on what I consider to be the central issues, and not in as much detail, as a discourtesy.

The purpose of my decision isn't to address every single point raised under a separate subject heading, it's not what I'm required to do in order to reach a decision in this case. My role is to consider the evidence presented by Miss N and St Andrews, and reach what I think is an independent, fair and reasonable decision based on the facts of the case. I don't need any further evidence to make my decision.

In deciding what's fair and reasonable, I must consider the relevant law, regulation, and best industry practice, but perhaps unlike a court or tribunal I'm not bound by this. It's for me to decide, based on the information I've been given, on a balance of probabilities what's more likely than not to have happened.

I don't uphold this complaint, in brief, for the following reasons:

- I note Miss M was sold the TMPP by a third-party business, and she chose life cover and CIC as the two cover options she wished to have. I note it's recorded that she didn't have any mortgage/life cover at the time. I note Miss M also says that the policy was a condition of her mortgage. But regardless of whether or not it was, I can't consider the suitability of the recommendation in a complaint against the provider.
- On balance, I'm not persuaded that Miss M wouldn't have received the key policy documentation for the 2002 policy.
- On the face of the evidence, and on balance, despite what she says about counterfeit documentation, I'm satisfied that the key documentation from the time would've made clear the nature and operation of the policy.
- Based on what the investigator says, I note it made clear that it would make one single payment – either under the life cover element or the CIC element of the policy – in response to a successful claim, and then the policy would end.
- I appreciate Miss M seeks to make a distinction between the Illustration and what she describes as the policy documentation – but I think the key policy taken collectively, makes clear the position.
    - On balance, I'm satisfied that Miss M therefore knew, or ought reasonably to have known, that she would receive only a single payout in response to a successful claim, after which the policy would end.
    - In other words, upon a successful claim she would receive a single total payment for £46,000 for either life cover or CIC and not a total payment of £92,000.
    - That's not how Life and CIC policies are generally designed to operate, and I've seen nothing to suggest this one was, or that it has been amended to pay out £92,000 – it's not entirely clear why Miss M thinks that it was.
    - I've seen no evidence that she was told or led to believe that this would be the case. In other words, I can't blame the business for what she thought would be the case because it's not based on any evidence.

    - Despite what Miss M says, this isn't evidence of St Andrews taking advantage of her health situation and deliberately blurring the line between its aims and her entitlement.
- In the circumstances, St Andrews isn't obliged to consider any further application regarding the policy and hasn't done anything wrong by refusing to do so.
- On the face of the evidence, and on balance, despite what Miss M says I can't safely say that St Andrews hasn't administered the policy in the way that it was designed to. In other words, unless it specifically agreed at the outset, that it will honour two claims – so that it's obliged to – it had no obligation to do so. I would also point out such policies don't generally exist.
- Despite what Miss M says, I think it's more likely than not she took out the 2007 policy but can't recall the details of this happening. This may explain why she still wants a greater payout, over and above what she's already been paid.
- On balance, I think it's more likely than not, Miss M was supplied with key policy documentation after the 2007 policy was taken out.
    - In other words, despite what she says, I think it's more likely than that she did receive key policy documentation setting out the nature and operation of the policy, but it's possible that she didn't read them or misplaced them.
    - I note St Andrews says that a policy schedule was sent on 2 January 2008 with all the cover details. On balance I think this is probably what happened.
    - I'm mindful that she would've being paying premiums form her bank account and therefore would've known and ought reasonably to have questioned any matters that weren't clear to her and/or didn't make sense.
- I think it was made clear that the policy was a decreasing term policy in which the life cover *and* CIC would reduce in line with the outstanding borrowed amount each year.
- I note the DTA policy started in December 2007 and was due to end in December 2032, before a claim was made and paid. It seems that this policy commenced in line with a further advance on her mortgage in December 2007. I note she says that in January 2008, she took out a loan for home improvements, so it's likely that the two are linked. I note she also said:
    - *"The only changes to my Mortgage during December 2007-2008 were that I made an application for a loan of approximately £12000 which was issued in 2008."*
- Despite what Miss M says about her employment status, and financial circumstances at the time, it's unlikely that the policy would've or could've been initiated without her authority.
- I should also make clear that the 2007 policy is a totally separate policy to the 2002 policy, taken out at a separate point in time in relation to a separate borrowing. Despite Miss M's concerns, the 2007 policy isn't a substitute for the 2002 policy which is wholly different.
- Despite what Miss M says, I don't agree that there's been an element of deception deployed by the business in this instance.
- I note on the one hand Miss M says she doesn't recall taking out the DTA but on the other hand she'd like the policy to pay out "£69,000" – as per the figure quoted in an email to her dated April 2022. But on the face of the available evidence, I'm satisfied that this is a mistake.
- In other words, in terms of the "£69,000", on balance I'm satisfied that there was a typo, and the correct figure was considerably lower, in line with the subsequent explanation offered by the business. This doesn't mean that Miss M is entitled to the incorrect figure. Despite what Miss M says, I don't agree that her policy has been devalued just because it was set up on a decreasing basis.
- I'm mindful of Miss M's concerns about the medical report/evidence, I'm aware she ticked the box saying that she wants to see the medical report before it is sent to the business. The obligation was therefore on her doctor to ensure that this happened –

unless 21 days had passed without Miss M not contacting the doctor about seeing it.

- Despite what Miss M says about the form it seems she had an opportunity to see some of the information before it was passed to St Andrews. I note Miss M said:
    - *"On 30 March 2023, staff from my GP practice called me, as they were about to mail out the GP's response to the TMPP Administration unit. I went in the following day and was able to look at the medical information before it was sent off but was not able to meet the GP before he completed the response. Halifax TMPP Admin Unit had reduced the size of the medical authorisation form, which was a distraction as the staff could barely see that I wanted to see the medical information before it was sent off, none-the-less, I was able to view the medical information, and asked the GP staff for a copy of the information before they returned the medical information to the insurance company".*
- If Miss M remains unhappy with how this issue was dealt with, it's something that she can raise with her doctor at the first instance. It's not something that I can hold St Andrews responsible for.
- I'm mindful of Miss M concerns about fabrication of key policy documentation. Despite what she says, I've seen no evidence that this was the case.

I appreciate that Miss M will be thoroughly unhappy that I've reached the same conclusion as the investigator. Furthermore, I realise my decision isn't what she wants to hear. Whilst I appreciate her frustration, I can't safely say that St Andrews have behaved unreasonably.

In other words, on the face of the available evidence, and on balance, I can't uphold this complaint and give her what she wants.

My final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 14 December 2023.

Dara Islam
Ombudsman