

## **The complaint**

Mrs P complains about advice received from National Westminster Bank Plc when taking out a critical illness policy.

Mrs P is using a representative to bring her complaint. For ease I will refer to all action as being those of Mrs P.

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat them all again here. Instead I'll focus on giving the reasons for my 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.

Mrs P has provided a lot of information about this complaint and it's clear to me how strongly she feels about what happened. I want to assure Mrs P that I've read and considered everything that has been provided.

It's agreed by all parties involved that the advice Mrs P received wasn't suitable. And I know parts of this matter have been dealt with in a different decision against another involved business.

Our Investigator provided some background to this complaint which I think fairly covers what happened. So I won't look any further into what happened, instead I'll concentrate on the offer to put things right.

NatWest looked into the complaint and offered to pay towards the legal fees Mrs P had incurred when dealing with the issue about how the policy was set up. They also made an offer of £1,000 for the trouble and upset of what happened.

When our Investigator considered the complaint they thought NatWest should also refund the premiums paid by Mrs P from the inception of the policy up until administration was transferred to another business, with an allowance made for any money NatWest had already paid to cover some legal fees.

NatWest agreed with the proposal from our Investigator, however Mrs P disagreed saying it doesn't fully put things right.

Having carefully considered everything that happened I'm satisfied the proposal is a fair and reasonable way of putting things right.

Mrs P has said that had she known the situation about how the policy had been set up she wouldn't have taken it. And this might be the case. But I must also consider that I don't think the policy itself was unsuitable, it's the way it was set up that wasn't right. So had the policy been set up correctly then Mrs P would most likely have paid the premiums to NatWest for

the time they administered the policy. The policy has now been cancelled so it's not possible to recreate the set up how it should've been done.

I've also taken into account that the policy was in force while the premiums were paid so it provided cover for Mrs P. Due to how the policy was set up the cover might have been less valuable had a claim been made, but thankfully no claim was made.

Mrs P also mentioned things that happened, or would've happened, at the time after NatWest stopped administering the policy. These issues have been dealt with in the other decision against a different business so I won't comment on them here.

It's clear what happened caused Mrs P a substantial level of trouble and upset over a sustained period of time. Thinking about the inconvenience and the time it has taken I'm satisfied £1,000 is a fair and reasonable offer.

For the time that NatWest administered the policy I think the below is a fair and reasonable way of putting things right.

### **Putting things right**

National Westminster Bank Plc should refund the premiums paid on the policy from inception up until the administration was passed to another business.

Against this amount National Westminster Bank Plc may offset the amount it says was paid to Mrs P and her solicitor for the provision of legal advice.

National Westminster Bank Plc should also pay Mrs P £1,000 for the trouble and upset caused by what happened.

### **My final decision**

For the reasons I've explained my decision is that I uphold this complaint.

To put things right National Westminster Bank Plc should take the actions I've outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 18 December 2023.

Warren Wilson

**Ombudsman**