

The complaint

Mrs S complains TenetLime Ltd (TenetLime) didn't let the provider of her two protection policies know she had agreed to pay a higher premium, which meant the sum assured was reduced. Mrs S also complains about the communication from TenetLime.

What happened

Protect Line Ltd (Protect Line) set up two term protection policies for Mrs S on a non-advised basis. TenetLime take responsibility for the actions of Protect Line.

After medical underwriting by the provider of the policies, Mrs S needed to pay more to keep the requested sum assured for the policies. She became confused about what policies she had and whether she had the cover in place she initially wanted. So, she complained.

TenetLime responded to the complaint and offered £50 compensation. They accepted Mrs S had been provided with confusing information and her agreement to increase the premiums hadn't been communicated to the provider.

Mrs S didn't accept this and asked us to investigate. Our Investigator recommended TenetLime pay Mrs S a total of £150 compensation. TenetLime accepted our Investigator's recommendation. However, Mrs S didn't accept the view and her representative set out the reasons why. Therefore, the case has been passed to me to decide.

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.

Protect Line provided two separate quotes for term protection policies in letters sent on 10 December 2020. They quoted for:

- Life insurance: sum assured of £175,000 for a term of 50 years and a premium of £20.49.
- Life insurance with critical illness: sum assured of £43,000 for a term of 40 years and a premium of £32.75.

TenetLime have explained the provider reviewed the medical information and needed to increase the premiums on the policies to maintain the sum assured requested. The provider has also confirmed this.

Mrs S discussed the premium increases with Protect Line over the phone in June 2021. However, TenetLime have accepted the information provided was confusing and Mrs S's agreement to pay the increased premium amount wasn't passed on to the provider.

Having considered this, I agree the service fell below the standard Mrs S could expect here. This had an emotional impact and caused further inconvenience. I've also reviewed TenetLime's final response letter, and I note they caused additional confusion. For example,

when they referred to a different provider. This meant Mrs S was further frustrated and more time was spent on the matter.

Mrs S's representative has provided screenshots from the provider's platform for the life insurance policy and the life insurance with critical illness policy. I'm satisfied this is in line with what Mrs S took out through Protect Line and the service issues haven't impacted the level of cover Mrs S now has.

In response to the view, Mrs S's representative explained the details still don't add up. Having considered this, it seems the sum assured and premiums have increased further because the policies are index linked. I've seen this was stated in the initial quotes provided by Protect Line and has also been explained by the provider. This means the sum assured and premiums for the policies are reviewed and increased in line with inflation. Nevertheless, I can appreciate how the unclear information has contributed to Mrs S's confusion about the policies she has in place.

Overall, I agree the service fell below a reasonable standard as Mrs S was given confusing information and the provider wasn't informed Mrs S had agreed to the increased premiums. However, the policy information provided seems to indicate the cover now in place is in line with what Mrs S initially wanted to take out.

Putting things right

TenetLime should pay Mrs S £150 compensation to recognise the emotional impact of the service they provided. Mrs S's representative has said this isn't sufficient to recognise the emotional impact and the time spent on this matter.

I want to provide assurance that I've carefully considered everything which has been said about the impact. Having done so, I'm satisfied £150 compensation appropriately recognises the impact caused by the service failings identified.

My final decision

I'm upholding this complaint and TenetLime Ltd should pay Mrs S a total of £150 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 29 December 2022.

Laura Dean
Ombudsman